FEATURING INSURANCE

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

VOL. XV. SINGLE COPIES, 10 CENTS. PUBLICATION OFFICE: TORONTO, APRIL 15, 1921 ANNUAL SUBSCRIPTION $5.00. No. 15

FILE COPY

PRICE STANDARD ESTABLISHED BY STEEL DECISION

Momentous Development of Week — New and Lower Scale of Prices

BROADSCALE EFFECT

Consuming Public Doing Its Share to Relieve Industrial Depression—Retail Sales in Larger Volume

A development of the week, which should go far in clarifying the business atmosphere, and in providing a sound basis upon which industry may rest, is the announcement of a new scale of prices adopted by the United States Steel Corporation, introducing a material reduction over the rates hitherto prevailing. This is probably one of the most important and far-reaching movements that has materialized in the business world since Henry Ford made his startling announcement of drastic price reductions on motor cars at a time when the general trend was in an upward direction. Ford's action, no doubt, hastened and even precipitated the adverse turn of business that followed almost immediately. Since then business has been floundering along in a highly unsettled condition, with little indication of improvement in sight. In the policy of the Steel Corporation to bolster prices of wages and materials at high levels students of business affairs saw one of the greatest obstacles to the re-establishment of business and industry upon a normal basis. The latest decision of the Steel Corporation will, without doubt, lend a degree of stability to business in general, as so many branches of industry are linked up. It is possible that buying will not be stimulated on a large scale, but the price reduction will serve the very useful purpose of establishing some standards about which the markets of the immediate future may be built.

While there are signs of activity in the rail trade in steel and iron goods, orders mainly are for small quantities. A wholesale dealer reports that for the month of March he had twice as many orders on his books as for the corresponding month last year, while his turnover for the period had been increased by only 15 per cent. This is significant and was due to the fact that orders were for small amounts, a large number being for one or two articles only. Actual wants only are being attended to.

Large Volume of Sales

A survey of the business field generally does not reveal any particularly encouraging features. The responsibility for the present depression can hardly be laid to the door of the consumer, contrary to general belief. Reports from merchants in city and town all lead to the one conclusion, that the volume of sales for the present year has been larger than for the same period last year. The consuming public is doing its duty, and the retailer is getting rid of his goods. It is true that in many cases the public has to be coaxed into buying through the medium of well-advertised sales, but this does not alter the fact that it is buying, and is doing its part in the readjustment process that is now under way. The fault lies largely with the wholesaler and retailer who, steadily confronted with the fear of lower prices, are taking measures to overcome any possibility of accumulating a large stock of goods. To this end they are buying sparingly. Each is replenishing his supply of goods only when necessary, and then only in sufficient quantity to see him through for a comparatively short period only. So far there has been no alteration in this attitude and the depression continues in consequence.

There is little doubt, however, that even yet retail prices are too high in proportion to the cost of raw materials. No definite basis for adjusting prices has as yet been established. Raw materials are in many cases well down to or even below pre-war levels, but it is safe to say that the prices of retail goods to the consumer have not shown anything like a correspond-

Continued on page 9.

Trekking to Western Canada—New Style

From Our Own Correspondent.

REGINA.—H. V. Leeson, his young son and D. Hathaway, of Central City, Neb., have put to shade the pioneers of the "old days." In modern prairie schooners, comprising two motor trucks, they have come from Nebraska on their way to Brooks, Alta., to take up two sections of land. The completion of the trip will total 1,500 miles under gas power. The travellers say that many Nebraska farmers will trek to Canada this summer.

PULP AND PAPER INDUSTRY MAY FACE MAY STRIKE

An Effort To Reduce Labor Costs May be Met by Opposition

From Our Own Correspondent.

MONTREAL.—One of the disturbing elements at present in the pulp and paper industry is the possibility of a strike breaking out on the first of May. The members of the pulp and paper unions demanded an increase of 15 per cent. in wages, and so far from agreeing to this the mill owners whose mills are unionized decided to bring into effect a cut of 25 to 30 per cent. in wages on the first of May. It is felt in many quarters that a strike is quite within the possibilities in the next two to three weeks.

Last advices are to the effect that a suggestion has been made that the men may be willing to accept a cut of from 20 to 25 per cent.

Just where this strike will cover is difficult to say at the moment. The two chief union mills in Canada, in the East at least, are Spanish River and Abitibi, while the "open shop" mills include Laurentide, Price Bros., Brompton, Donnacona, etc., in the main mills in the province of Quebec, while the others are situated in Ontario. Whether the Quebec mills will make an arrangement with their men independent of the general scale of wages decided on remains to be seen, and the attitude of the employees is also not clear at the time. In any case the present condition is looked on as being favorable in the long run, for if a large number of mills close down in the United States and some in Canada the natural result will be that the surplus paper will be greatly reduced if not entirely consumed, placing the newsprint mills in a stronger position as regards market demand and prices for some time to come at least. For those that close earnings will be reduced; on the other hand, over a long period, the result of a curtailment of production for a month or more would appear to be favorable.

TO BUILD RECIPROCAL TRADE WITH FRANCE

From Our Own Correspondent.

OTTAWA.—Apparently the project upon which Senator Beaubien spent so much time and energy immediately after the end of the war, and to which THE FINANCIAL POST has frequently referred—an exhibition train of Canadian products to tour France and of French products to tour Canada—is to be carried out.

The French train will come first, and during the coming spring this train, which is to be provided and hauled free by the different Canadian roads over which its route lies, will be seen from ocean to ocean. The general idea of the project is probably well understood: the train will contain a very full line of French products, inspection of which will be open to the public at every important station. Moving pictures of the industrial processes attending the goods shown, as well as of production and scenery in France generally, will be shown on the train.

It has not been decided just when the Canadian reciprocal exhibition train will tour France; but when it does, the railroad and other authorities there have promised that similar facilities will be afforded for the display of Canadian products.

SHAREHOLDERS OF STEAMERS TO START CAMPAIGN

Definite Action in Effort to Improve Financial Condition

CONTRIBUTIONS ASKED

Funds Will Be Raised to Finance Thorough Inquiry to Establish the Real Standing of Company

From Our Own Correspondent.

MONTREAL.—Definite action by shareholders of Canada Steamship Lines in an effort to improve the financial condition of the company by means of an investigation in which it is proposed to employ legal counsel and accountants is likely to be under way in a few days, THE FINANCIAL POST understands. This will take the form, it is said, of a circular letter addressed to a number of shareholders outlining certain conditions said to exist, and asking for a contribution towards the cost of an investigation. As soon as sufficient funds are secured it is the intention to appoint a committee of shareholders, who will take such action as they see fit.

In the circular reference is to be made not only to the passing of the dividend on the common stock, but to the serious impairment of the market value of the preferred stock as indicating that this dividend is in jeopardy as well. Reference is to be made to the report of a balance of $1,300,000 still due on the purchase of the Montreal Transportation Company, full particulars of which transaction have not been communicated to the shareholders.

Comment will be made on the report that the company has secured an interest in the Davie Shipbuilding Company amounting to several millions of dollars, and that there has been a transaction in regard to the Century Coal Company.

The suggestion will be made, it is understood, that some of these transactions were entered into with the idea that the financing would be done by the British Empire Steel Corporation when the merger was formed, and that now that this scheme as originally planned had fallen through the situation for Steamships has changed.

The point will be raised that every means should be adopted to see that these transactions are advantageous to the company, and if not that steps be taken to protect the interests of shareholders. The suggestion is made that it might be of advantage to dispose of some of these properties that represent a liability for the company or return them to the original owners. It will be further suggested that if the company's financial position is improved the securities should recover some of the position they have lost.

It will be declared, however, that a complete knowledge of the company's affairs is necessary before such steps can be taken and that to secure this a full investigation is necessary. Hence the sending out of the circular letter.

The annual meeting of the company is likely to be held about the end of the present month. The comptroller, F. S. Isard, is expected back from England in a few days, and announcement is looked for any day of a sale of bonds of $4,000,000 to $5,000,000 in England.

DISCOUNT RATE CUT

Swiss National Bank of Berne Makes Reduction

Swiss National Bank of Berne, Switzerland, has reduced discount rate from 5 per cent. to 4½ per cent., and rate for advances against security from 6 per cent. to 5½ per cent. Although there has been considerable discussion of a gradual reduction in discount rates of all leading countries, this is the first that has actually occurred at this time. It is expected by many New York bankers that others will follow in the near future, including the Federal Reserve discount rates, because of the more or less general easing of money rates.

—Harding in Brooklyn "Eagle."

There's always some hardship about these reducing exercises.

A Key to Readjustment

WITH the announcement this week that there would be a reduction in lumber freight rates between British Columbia and the East, came the intimation that in two important industries a marked increase in activity would be the result. A reduction in lumber costs in Eastern Canada will help building, while an increased demand for timber for construction purposes should materially aid lumbering activities in British Columbia. Further, an increased volume of transportation business may prove some aid to the railroad companies.

Perhaps no more effective example could be had of the salutary effect of lower transportation costs upon industrial activities—reduced prices for commodities and increased employment. Lower freight rates all round would undoubtedly prove equally beneficial in other industries because the freight charge, small in each instance, has a heavy cumulative effect as it applies to the many stages between raw material and finished product and increases the cost of living in so many directions.

But how are transportation charges to be brought down when the present income of the C.P.R. is only sufficient to provide against charges and a fair return on capital and when the Government roads are showing such heavy deficits? There appears to be but one answer—the lowering of the labor cost factor. This does not necessarily mean a reduction of actual wages, but a higher return in labor efficiency which will have the same net effect in permitting a reduction of rates.

An effort has been made to indicate that reduced transportation costs would be beneficial to many industries and, therefore, go far to overcome conditions of unemployment. That railroad workers would themselves benefit from the encouragement of an increased volume of traffic would also seem evident from the fact that to-day the roads in order to curtail expenses are greatly reducing the number of employees where they can be spared. The public is told that the solution of the problem lies in "more tonnage." But increased tonnage can only come when business warrants it and a reduction in freight rates seems to be the only practical way to bring this about.

There appears to be no satisfactory solution to the question as to what wages the worker is entitled to from the moral standpoint. But there is a very serious question for labor to consider as to whether a wage level should be maintained by an organized section of the community if such level means the depression of the particular industry concerned as well as of other industries involved.

In recent months there has been a readjustment of prices and values in many directions. Manufacturers and merchants did not bring down their prices for any other reason than because it was in their own interests in the long run to do so. They saw the necessity of meeting a situation in which unhealthy demand had resulted in inflated values and in order to maintain actual consumption it was necessary to re-establish healthy relationship between the producer and the consumer. Labor is involved in this same problem in that it must find a market for its product and indications are not wanting that in a general way that market is being adjusted to a lower basis in accordance with the inevitable law of supply and demand. It is not only a question of maintaining fair wages, but a question also of overcoming unemployment.

The wages of railroad workers are regarded as being the key of the present situation because they were the result of a government order rather than of an adjustment by representatives of capital and labor with mutual interests. As railroad officials emphasize, it is not so much the daily schedules as the conditions providing for overtime and other industries which have run up the costs of transportation. Statistics that are available from compilations by the Interstate Commerce Commission and Bureau of Railway Economics of the United States furnish reliable material on which to base a judgment for Canada as well, since on an average wages here run about the same as in the United States. Covering the years 1917-1920 the increase in the annual payroll was $2,078,517,858, of which $625,000,000 went into effect by the award of 1920.

Class of Employee.	1917. Aver. Compens.	1920. Average Compens.	Increase % 1920 over 1917.	No. of Employ's
Train despatchers and directors	1801	3113	72.8	5,101
Tel., telegraph and block operators	917	1914	108.7	20,526
Agent-telegraphers	948	2003	98.9	14,476
Stat. agents (non-telegraphers)	1039	2067	98.9	14,476
Yardmasters	1802	3294	82.8	3,719
Yard engineers and motormen	1791	2805	56.6	18,933
Yard brakeman	1327	2313	74.3	48,451
Other yard employees	667	1565	134.6	3,984
Road freight firemen and helpers	1275	2587	102.9	36,828
Road freight conductors	1855	3134	68.9	27,152
Road freight brakemen	1202	2464	105.0	67,818
Road passenger engineers	2233	3478	55.8	13,297
Road passenger firemen	1354	2658	96.3	13,105
Road passenger conductors	1966	3119	58.6	10,655
Road passenger—baggagemen	1175	2393	103.7	5,524

CANADIAN STOCKS STILL PURSUE AN IRREGULAR TREND

Market Sentiment is Depressed by Unfavorable Developments

TURNOVER SMALL

British Labor Situation Causes Anxiety—Steel Prices are Cut—Tractions are Easier

Developments of the week were rather of a nature to depress than enthuse market sentiment, and for this reason stock movements continued along restricted lines. There was a slight tendency to firmness in a number of issues, particularly the papers, toward the close of the week, but the advances were within a narrow range and the turnover small. As is customary in times of adversity, market sentiment is peculiarly susceptible to news which lacks a stimulating flavor, while force of a constructive nature is wholly or partially disregarded. This week, however, with the exception of a favorable report by one of the larger paper companies, which had the effect of instilling a minor degree of strength into the paper group, the influences at work were not of such a nature as to stimulate buoyancy.

The labor situation in Great Britain is still causing grave anxiety, not only in the Motherland, but in this country as well, and the prospects of a still further extension of dissension is not a force of such a nature as to stimulate confidence in the stock markets. Again, a cut in steel prices amounting approximately to ten per cent., as announced by a large American concern, indicates the trend of the times, and while the announcement received but scant attention in so far as the stocks of Canadian steel concerns are concerned, the influence will be of a negative character. Just what effect the reduction will have on trade generally is a matter of discussion at the present moment, and while no immediate constructive movement is looked for, it is felt that the broad effect will be helpful, as providing a definite basis

Continued on page 8.

THE POST

THIS WEEK CONTAINS

Baruch Says Germany Can Pay the Shot 2
Ontario and Quebec Manufacturers Are Losing Trade 2
Moving Wheat to Europe via the Panama Canal 3
Hydro Lines to Pay Must Be Brought Into Heart of Toronto 3
Why Consolidated Smelters Passed the Dividend 4
The Gold Mines of the North Are Now Very Active 5
New Financial Arrangements for Goodyear Tire 5
Frank Jones to Become President of the Riordon Company 6
Trinidad Power Made Much Better Showing 7
Bank Pioneers Recall Other Stages of Development in the West 8
A Contract Should Be Understood by All Parties 9
A Sketch of President Harding's Cabinet 10
Chartering the Motor Vehicle Transportation Companies 11
British Columbia Bond Market Develops Activity 12
Alberta Cities Asked to Cut Big Slice Off Values 13
Pilferage Evil Extends to All Parts of the World 14
Life Insurance as Provision for Inheritance Tax 14
Significance of New Prices of Steel Corporations 16
Experiments in Shipbuilding Lead to Trouble 16
INSURANCE SECTION
Premium Income Tax, Discriminatory and Unjust 17
Experiences of Companies Writing Automobile Insurance 17
Employers Outline Views Upon Group Insurance 18
The "Straight Life" Policy Is Growing in Popularity 19
Review of Year in Insurance Companies' Investment Business 20
Life Companies Are Facing a More Difficult Year 21
Burglary Insurance Now a Necessity in Business 22
Some $7,000,000 of Insurance Under the Soldiers' Plan 23
A Banker's Viewpoint Upon Life Insurance 24
Fires From Preventable Causes Largest in Number 25
Standard Policy for Sickness and Accident Taking Form 26
Fire Companies Seek to Avoid Over-Insurance 27
Some of the Applications of Life Insurance in Business 28

BANK OF MONTREAL

Established over 100 Years.

Capital Paid up - - - - - - - $22,000,000
Rest - - - - - - $22,000,000
Undivided Profits, $1,251,850
Total Assets - - $560,150,812

BOARD OF DIRECTORS:
Sir Vincent Meredith, Bart., President.
Sir Charles Gordon, G.B.E., Vice-President.
R. B. Angus, Esq. Lord Shaughnessy, K.C.V.O. C. R. Hosmer, Esq.
A. R. Drummond, Esq. D. Forbes Angus, Esq. Wm. McMaster, Esq.
Lt.-Col. Herbert Molson, C.M.G., M.C. Harold Kennedy, Esq.
H. W. Beauclerk, Esq.
G. B. Fraser, Esq. Colonel Henry Cockshutt. J. H. Ashdown, Esq.
Sir Lomer Gouin. E. W. Beatty, Esq., K.C. Gen. Sir Arthur Currie. G.C.M.G., K.C.B., LL.D.

Head Office: MONTREAL
Sir Frederick Williams-Taylor, General Manager.

Branches and Agencies:
Throughout Canada and Newfoundland.
At London, England, and at Mexico City.
In Paris, Bank of Montreal (France).
In the United States—New York, Chicago, Spokane; San Francisco—British American Bank (owned and controlled by the Bank of Montreal).
West Indies, British Guiana and West Africa—The Colonial Bank (in which an interest is owned by the Bank of Montreal.)

THE MERCHANTS BANK OF CANADA

Head Office: Montreal — Established 1864

Paid-up Capital..$10,029,622 — Total Deposits (Oct. 30, 1920), over $170,000,000
Reserve Fund .... 9,475,585 — Total Assets (Oct. 30, 1920), over $209,000,000

President: SIR H. MONTAGU ALLAN, C.V.O.
Vice-President: F. HOWARD WILSON.
General Manager: D. C. MACAROW.
Supt. of Branches and Chief Inspector: T. E. MERRETT.
General Supervisor: W. A. MELDRUM.

How the Bank Serves

The position of the Merchants Bank in the financial and commercial world, makes it a veritable clearing house of market information and knowledge as to the best business practice and trade methods at home and abroad. Our experience, advice, and facilities for analyzing business problems are always available to our clients.

399 Branches in Canada extending from the Atlantic to the Pacific

UNION BANK OF CANADA

File Your Income Tax Returns

The income tax returns for 1920 of all individuals resident in Canada must be filed with the Dominion Government on or before April 30, 1921. The Government this year requires you to forward with your return 25% of the tax due.

Union Bank of Canada

893

THE DOMINION BANK

Established 1871

Capital Paid Up $6,000,000
Reserve Fund $7,000,000

Efficient service in all departments of Banking.

Sterling Drafts bought and sold.

Travellers' Cheques and Letters of Credit issued.

362

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament

TWENTY-FIVE BRANCHES IN SASKATCHEWAN

HEAD OFFICE, - WEYBURN, SASK.

DIRECTORS: — Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted.

You Press One Button Once to Get Your Party on a STROMBERG-CARLSON INTER-COMM-PHONE SYSTEM

NO SWITCHBOARD OR OPERATOR

Send for Bulletin 1017

STROMBERG-CARLSON TELEPHONE MFG. CO., 35 McCAUL ST., TORONTO

BETTER SERVICE WOULD MEAN MORE MARITIME ORDERS

Ontario and Quebec Manufacturers Are Losing Trade

DELAYS TO BLAME

Boston Business Houses Are in a Position to Render Superior Service to Eastern Retailers

From Our Own Correspondent.

HALIFAX.—More mutual understanding and a little more adaptability between the business houses of Ontario and Quebec would help interprovincial trade and lessen buying by maritime houses from the United States. This was the opinion of a leading business man in Halifax who mentions that if he gave a large order in a certain line he mentioned a price is quoted on the purchase of the large quantity. If one portion or dimension of the order should be sold out and a repeat order sent in for a further quantity of one size in the order the Ontario business house would want a higher rate based on the new and lesser quantity. On the other hand, if such an order were given in Boston, for instance, and an additional lot of one size were required the Boston house would readily fill it at the price of the whole in the original order and not charge a higher price because only one size of the original order was renewed. Naturally the Boston house gets the order unless there are reasons that make this impossible.

Transportation Problems

The chief difficulty in doing business between the maritime provinces and what we used to call "the upper provinces" is, however, in the matter of transportation delays. There is comparative promptness if goods are ordered direct from Montreal or Toronto, but if the goods come from any other point in those provinces and are shipped via Toronto or Montreal then the delays become monstrous. One week will bring any shipment from Boston compared with three and four from Ontario or Quebec, unless the initial point is Toronto or Montreal and even then Boston beats it.

The reason for this delay cannot be placed, so far as our business men are concerned. Handling by two railways is not the only cause, for when the goods come by one railway route there is still a delay almost, if not quite, as great. A great deal more inter-provincial business could be done if merchants worked together better and if we had not the delays that are so injurious and annoying. Goods can often be ordered and sold from Boston before they arrive from Ontario or Quebec. This has been demonstrated in the experience of the business man who took the matter up with the FINANCIAL POST.

Overseas Trade Too

There are handicaps also in trade with Great Britain caused by transportation delays. Steamers with goods for Halifax may land them at St. John or Sydney or Montreal. The merchant then has to pay the railway freight to this city and not a through freight, but a local freight rate. In one case where Halifax goods were landed at St. John the freight to Halifax was 25 per cent. of the ocean rate from Liverpool to St. John. This may not often happen but it does sometimes and the consequence is loss.

FLAX GROWING IN N.B.

Government Encouragement of Industry Proposed

From Our Own Correspondent.

ST. JOHN.—The speech from the throne at the opening of the New Brunswick legislature intimated that the Government would bring down a measure to encourage the flax growing industry in the province. What appears to have been the first venture in flax raising in New Brunswick was made last year by the Eastern Flax & Seed Co., Ltd., of Shediac. This concern planted twenty acres in flax, the average yield being seven bushels of flax seed and two and one-half tons of straw per acre. Last year's crop was made into tow and marketed in the United States.

This year the company intends to plant 100 acres and put up a plant to manufacture yarn. It is reported that the Maritime Linen Mills at Moncton have agreed to take the whole output of yarn.

HIGH PRICE FOR LAND

Unbroken prairie land is yielding a high price in the Yorkton, Sask., district. At a recent sale one farmer disposed of 1,600 acres for over $41,000.

UNEMPLOYMENT IN U. S.

Decrease of 2.5 Per Cent. in Employment Since January 31st

Reports received by telegram to the United States Employment Service, Department of Labor, indicate that 1,424 firms, usually employing 501 or more, located in the 65 principal industrial centers of the United States, employed 1,612,611 workers on February 28, 1921. Those same concerns report 1,587,786 workers employed on March 31, 1921, a net decrease of 24,825, or 1.5 per cent. The net decrease since January 31, 1921, has been 40,348, or 2.5 per cent.

ENGLAND ALERT AGAINST GERMANY

Government's Proposal Foreshadows Long Step towards Protection

Considerable attention has been attracted here by the report of the British Government's intention to enact measures for protection of British industries against German competition. Coupled with the announcement that France has increased her duties on numerous imports, the home manufacture of which is menaced by foreign competition under the encouragement of depreciated exchange, the British Government's decision is also held to mark the realization of growing danger from Germany.

Official statistics show British imports from Germany increased about 20 per cent. in the final quarter of 1920 over the preceding quarter. As transmitted by the Bankers' Trust Co., the largest increase in value was in dyestuffs, from £1,000,000 to £3,000,000, but other items doubled or tripled and sugar recorded a twenty-fold increase. The principal increases were:

	4th quarter	3rd quarter
Coal tar dyes, etc.	£3,041,798	£1,010,546
Zinc crude	314,612	67,356
Sugar	240,432	11,927
Copper bars, etc..	143,386	22,028
Pig lead	136,251	66,873
Steel bars, etc....	43,785	8,866

The measure comprises two sections. One levies a duty of 33 1-3 per cent. on a specified number of articles for the protection of key industries believed essential in the prosecution of war, especially scientific instruments and chemicals. Section 2 applies the same tariff, at the discretion of the Board of Trade, to all articles sold in England below the price of production abroad and by reason of the exchange below the prices at which similar goods can be profitably manufactured at home.

CAPITAL AND LABOR GETTING TOGETHER

Fred Field Reports on Industrial Conditions in the United Kingdom

F. W. Field, H.M. Trade Commissioner at Toronto, who recently completed an official tour in the United Kingdom, visited a large number of works and had interviews with over 500 important business men, representing merchants and manufacturers all over the country; the tour occupied about four months. Generally speaking, in his view factories are well planned, machinery and equipment are modern, and there is a keen desire to extend overseas trade during the present business depression, according to the Board of Trade Journal. Employers and labor appear to be making efforts to ensure that fair wages shall be paid, that the proper output shall be obtained in return for fair wages, and that costs shall be reduced sufficiently to meet the keen competition of foreign countries, which is already in evidence and which will increase.

There is also to be observed on the part of labor a tendency to recognize the necessity of lower production costs. The attitude of manufacturers towards labor, generally speaking, he found to be reasonable in that manufacturers stated that it was not expected or desired that pre-war wages or living conditions of labor would or should return. The desire that labor should enjoy satisfactory wages and living conditions was general, although it is thought by many manufacturers that present wages must be reduced if they are to compete successfully in the world's markets. The welfare of the employees was, he found, very well looked after.

Concerning the quality of goods, Mr. Field says that one of his strongest impressions gained through visiting works is the great care taken in the production of goods and their excellent quality, and this feature has always appealed strongly to buyers in overseas markets; it can, he says, be asserted with confidence that well-made and durable articles are still the pride of our manufacturers.

BERNARD BARUCH SAYS GERMANY CAN PAY THE SHOT

Fixes Capital Sum of $12,000,000,000 as Limit of Present Capacity

$3,000,000,000 PAID

Immediate Settlement of Entire Question Urged in Order to Restore Normal Economic Conditions

Bernard M. Baruch, in an article in the May issue of The Nation's Business, analyses German reparation figures, pointing out that it was the opinion in Paris two years ago, when the Versailles Treaty was under consideration, that Germany could pay at least the capital sum of $15,000,000,000 for reparations. He also by way of comparison refers to the fact that $56,000,000,000 spread over a period of 42 years is equal to about $13,500,000,000 at going rates of interest of about 8 per cent. He makes note that the Allies' experts always took 5 per cent. as a basis in discussing German reparations, which would give to $56,000,000,000, spread over 42 years a present value of $21,000,000,000. Analysis of reparation figures showing results similar to those of Mr. Baruch were brought to the attention of Dow, Jones & Co.'s readers in articles published the early part of last month, when the Allies at London demanded a payment of 226,000,000,000 marks (approximately $56,000,000,000) gold from Germany. Mr. Baruch assumes that Germany has paid about $3,000,000,000 on account of reparations.

In the circumstances it would come with bad grace from America to say what the Germans could pay or what the Allies should accept, one could say that there cannot be much doubt that, retaining Silesia, and with all discriminatory restrictions removed from Germans and their trade, Germany could pay a present capital value of $12,000,000,000. The real worth of this to the Allies would depend upon the final judgment of the investing world as to Germany's ability and willingness to meet that amount.

"The ability of the Allies to meet their financial obligations to their own citizens and to us rests in a measure upon the size of the reparation they can collect. In most instances the amount of their obligations exceeds their ability to pay unless they can get the last possible farthing from Germany.

"Financial and industrial development of the whole world for a long time to come will be profoundly influenced by the settlement of the German reparations. In recent dealings with this subject the United States has not been represented. But the policies there laid down evidently affect future conditions of business throughout this country. They affect every great domestic question which we are now seriously considering — the railroad problem, taxation, tariff, agricultural difficulties, unemployment. All are made what they are and are made more acute because of the non-settlement of the reparation problem and because there is no stable peace in the world.

"The crux of the world's industrial and commercial problem lies in the fixing of the reparations that Germany must pay. The Allies must inevitably come to see this; for they are under heavy burdens and are looking to the Germans' reparations for their own rehabilitation. Fixing the reparation would be followed by a gradual re-establishment of German credit, by an immediate rise in world exchange, by an increase in the purchasing power of all the nations and in a world-wide resumption of commerce.

"Inter-indebtedness of the Allies can not be disposed of until the world is again humming with industry and every route and channel of commerce is reopened.

"There is general apprehension lest Germany's re-entrance into the economic circle will create an over-production of goods. Those who entertain this fear do not realize that the very people from whom Germany will buy her raw materials will have an increased market for manufactured goods from all the peoples in the world. They do not realize that a new market will be created, not alone in the former Central Empires and Russia but in every corner of the world by the stimulation of the exchange of products and manufactured goods.

"With roads to be built, mines to be opened, with all of the vast resources of nature barely scratched, there is more than hands now idle can possibly do.

"America has no need for anxiety if she will look facts in the face. She need not be engulfed by a corroding fear that she cannot meet the situation. She can meet it in a way befitting her great wealth and natural blessings, by joining the other nations in a practical solution, and by assuming her full responsibility. She must meet it in a way that will not alone cause a return of confidence but in a way that will cause to flow back into the banks of the world the hundreds of millions of gold now hidden in stockings and vaults, releasing credits and setting the world to work again on a basis of mutual good faith. Governments should cease their interference with the natural flow of trade."

The total fire loss in Saskatchewan during the year 1920 was $2,800,000, according to figures given out by Arthur E. Fisher, fire commissioner for the province. This is an increase over 1919 of about $400,000. During the year there were 44 people burned to death and 26 persons sustained severe injury.

THE UNION BANK OF AUSTRALIA, LTD.

Established 1837. Incorporated 1880
CAPITAL—
AUTHORIZED AND ISSUED £7,500,000
Paid-up Capital £2,500,000
Res. Fd., £2,570,000 Together £5,070,000
Res. Liab. of Proprietors....£5,000,000
Total Capital and Reserve.£10,070,000

Head Office 71 Cornhill, London, E.C. 3

The Bank has 181 Branches, viz:
In Victoria 41
In New South Wales.... 38
In Queensland 19
In South Australia 14
In Western Australia 21
In Tasmania 3
And in NEW ZEALAND. 44

Drafts upon these Branches are issued by the Head Office and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

Incorporated 1855
Capital & Reserve $9,000,000
Over 130 Branches

THE MOLSONS BANK

If you have a good business proposition and are seeking financial advice, the knowledge and wide experience of the manager of The Molsons Bank qualifies him to give you a sound and unbiased opinion.

EDWARD C. PRATT
General Manager

5% AND ABSOLUTE SECURITY

Over 200 Corporations, Societies, Trustees, or Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company
Winnipeg, Man.

Long Term Eastern Municipals on an Attractive Basis

W. F. MAHON & CO.
HALIFAX, N.S. ST. JOHN, N.B.

Robert Cassels W. G. H. Browne A. M. Brown

Cassels, Browne & Co.

Members Toronto Stock Exchange

318 Dominion Bank Building
TORONTO

Direct Private Wire to New York, Chicago and Washington

ANGLIN - NORCROSS
(LIMITED)

Contracting Engineers and Builders

MONTREAL TORONTO HALIFAX

W. ROSS ALGER & CO.
Investment Bankers
Dealers in Government, Municipal and School Bonds.
We Specialize in Western Bond Issues
EDMONTON and CALGARY, ALBERTA

What Does Canada Need Most?

ON all sides we hear the answer—**Greater Production!**

Strong industries, developing our latent resources, giving work to Canadian workmen, creating prosperity at home, exporting goods to reduce our unfavorable trade balance abroad.

Such industries are built to-day by **co-operation** — by thousands of average investors combining their capital for productive use.

And under sound management such investment is richly profitable to the individual no less than to the country.

Let us tell you about some industrial investments which carry our recommendation.

Graham, Sanson & Co
LIMITED
INVESTMENT BANKERS
Members Toronto Stock Exchange.
85 Bay Street TORONTO — 37 James St. S. HAMILTON

FOR BANKS WHO ADVERTISE

100 (new) Newspaper Ads. for $4.00
100 (new) Circular Letters 5.00
SYSTEM BANK ADVTSG. & LETTER SHOP
321 Hall Bldg. - Kansas City, Mo.

INCREASE YOUR EFFICIENCY

by installing a Dictograph System of Interior Telephones. It provides direct and instantaneous communication between departments. Saves time; saves worry—all by the mere pressure of a key.

Ask for a demonstration.

SIGNAL SYSTEMS, LTD.
8 TEMPERANCE ST. TORONTO
MAIN-4630

PRACTICAL BUILDINGS
COBB
ARCHITECT, TORONTO

THE MERCHANTS BANK OF CANADA

QUARTERLY DIVIDEND

A DIVIDEND OF THREE PER CENT. for the Current Quarter, being at the rate of TWELVE PER CENT. per annum and a bonus of ONE PER CENT., upon the Paid Up Capital Stock of the Bank, were declared payable on 2nd May next to shareholders of record on the evening of 15th April, stock not fully paid up on 1st February to participate in both dividends and bonus on the amounts paid up on that date and upon later payments from the date thereof.

By Order of the Board.

D. C. MACAROW,
General Manager.

Montreal, 1st April, 1921.

SPRING FISHING

The season for speckled trout fishing opens on May 1. In the Algonquin Park region, owing to what promises to be an early spring, the ice should be out of the lakes by the end of April, and anglers should make their reservations at the "Highland Inn" to be assured of accommodation. During the month of May good fishing is found in this territory, the principal species being speckled, lake and salmon trout. Ask Grand Trunk Agents for particulars, or write to N. T. Clarke, Manager, Highland Inn, Algonquin Park Station, Ontario.

ALBERTA HAIL ASSOCIATION

The fact that there are a large number of districts which come under the hail insurance board of Alberta, which are in arrears in the payment of their premiums was the chief matter which was discussed at the opening session of the second annual meeting of the hail insurance board. According to the financial statement that was presented, there was a sum of $311,443 outstanding on January 31 of this year. The matter was left to the discretion of the board and it was decided to apply for an amendment to the act which would extend insurance to October 1.

NEED TO BRING HYDRO LINES INTO TORONTO'S HEART

Could Not be Made to Pay Otherwise, Says Hydro Witness

NEW DEVELOPMENT

A Phase of the Question Which Had Not Previously Come Up—How Could it be Accomplished?

A proposal, which came somewhat as a surprise to the Sutherland Hydro-Radial inquiry, was made by Geo. A. Cullen, formerly traffic manager of the Delaware, Lackawanna & Western Railway and vice-president of the North American Fruit Exchange. When the estimated earnings of the Toronto Eastern were under review Mr. Cullen, who was called by the Hydro Commission as one of its expert witnesses, suggested that passengers coming in from east of Toronto would be taken right up into the heart of the city by the projected Toronto Eastern cars or trains. He made it quite clear that he did not make his report on any railway service which dumped passengers off at the harbor without any means of reaching uptown, except by paying another fare to a civic or other line, and that his estimates were based on no such policy.

Concealment Suggested

When these features were disclosed by Mr. Cullen the chairman of the Commission remarked at once that this was a new development of the Hydro scheme and intimated that if the Hydro had plans to run Toronto Eastern cars up into the heart of Toronto, they had been concealed from the commissioners. Robt. McKay, counsel for the Hydro municipalities, defended that this idea had been touched on in Mr. Gaby's evidence.

A significant phase of the incident is found in the fact that during the several months of enquiry into the economic feasibility of the proposed radial lines the fact has been thrown into bold relief that to dump suburban and interurban passengers off at the foot of Yonge or Bay streets would not commend itself to the riding public. People going to the east or west limits of Toronto, for instance, would not go down to the harbor in order to take a radial out, because they could get out easier for one fare on a city car line. Hence critical witnesses and counsel held that the Hydro's estimates of passenger earnings could not possibly be reached. Mr. Cullen, in his evidence, seems to have justified on this point the judgment of former experts who were called by those critical of the radials, for he said that he did not care to base his estimates of earnings for the Toronto Eastern on any scheme that did not provide delivery of passengers uptown at some central point, such as near the corner of Yonge and Queen Sts. There was no hesitancy on the part of the commission in expressing the opinion that this was either quite a recent development by the Hydro or else they had kept it hidden until now.

Differences of View

In his other evidence Mr. Cullen stated that he thought the Hydro's estimates of earnings on the Toronto Eastern were too low. He would look for such a development along a high-speed line of this kind that the traffic would become very heavy.

"If you were to advertise in the newspapers that you were building this line," said the witness, "all the real estate men in the city would hotfoot it for Whitby, and property values would increase from 100 to 500 per cent."

Mr. Hellmuth pointed to the Old Belt Line as an example to the contrary and then discussion followed as to whether the Old Belt Line could properly be compared with an up-to-date radial. Assuming, however, that what Mr. Cullen predicts were to come true, it is difficult to reconcile this jump in property values with the theory that radials would lead to many hundreds of workingmen going out to establish homes in the country. Witnesses from Oakville and other lake shore points gave evidence last week that land values are now very high along the strip of country where radials propose to go. To get anything cheap it is necessary to go back a long way from the Hamilton highway or where the radial would go.

Three other witnesses who have given somewhat technical evidence for the Hydro are W. S. Rogers, general traffic manager of the Detroit United Railways, who dwelt largely on the earnings of his lines; T. H. Stoffel, of the Westinghouse Company, and Chas. Chavel, auditor of the International Railway operating between Niagara Falls, N.Y., and Buffalo.

Mr. Stoffel said that the story of railway operations in the United States during the last few years was a sorry one, that no new lines were being built and that it was difficult to find money to even put roads in proper condition. Mr. Chavel testified that the International Railways' new high-speed line, double tracked, earned $36,000 a mile. The population through which it passes is very dense. The Hydro, on the other hand, estimates it will earn $43,000 a mile on a single track between Toronto and St. Catharines the first year of operation.

MEDIUM STARTED SLANDEROUS REPORT

Curious and Groundless Story Regarding the New Brunswick Railway Company

ST. JOHN.—A curious explanation of a slanderous story anent the New Brunswick Railway Company, of which prominent Montrealers are directors, has come out in the provincial legislature. Mr. Smith, of Carleton, asked if the government had investigated the rumor that the company was in possession of 324,000 acres of land more than it was entitled under old railway grants.

Hon. C. W. Robinson, Minister of Lands, told the house that it had been represented to him that a certain gentleman had gone to Boston and consulted a medium, who had told him that one surveyor of the company had used a six rod chain instead of a four rod chain. The minister added that his department had made plans of the company's grants, and that when allowance was made for lakes and highways the acreage in its possession was found to be just about what it should be.

U. S. STEEL WORKERS TO SHARE PROFITS

Part of Each Year's Net Earnings Over $100,000,000, To Be Distributed to Employees

Announcement of a profit sharing plan to employees of United States Steel Corp. plants has been made. On profits from $100,000,000 to $150,000,000, a bonus of 2 per cent. will be paid; to $200,000,000 2¼ per cent., and in excess of this amount 2½ per cent. will be distributed. This sharing plan is a revision of plan which has been operative since 1903 and contains many important changes.

Instead of limiting the distribution of a percentage of earnings over a certain sum to men who occupy official and semi-official positions and who are engaged in directing and managing the affairs of the corporation and its several subsidiary companies, as formerly, the new plan provides that:

"Any employee of the corporation or of its subsidiaries and any person actively engaged in the conduct of its or their business who shall have been in the regular and continuous employment of the corporation or of its subsidiaries, or who shall have been actively engaged in the conduct of its or their business, for the term of one year or more and who, by his ability, industry, and loyalty has, in the judgment of the committee appointed, rendered services which have contributed in an unusual degree to the success of the corporation shall be entitled to share in the distribution of the fund."

The election of a committee of three stockholders at the annual meeting of the corporation is provided for and this committee, besides being charged with the determining the distribution of the fund, is also empowered to distribute it wholly in cash or partly in U. S. Steel stock.

The amount to be distributed annually will be based on the profits of the preceding year when such profits exceed $100,000,000 of profits between the minimum and $150,000,000, 2 per cent shall be set aside for the bonus, the rate increasing to 2¼ per cent. when profits exceed $150,000,000 and to 2½ when they exceed $200,000,000.

BRITISH AMERICA NICKEL

O'Brien Injunction to be Dissolved by Courts

Reliable advice has been received to the effect that the O'Brien injunction against the British North America Nickel Corporation will be dissolved. This will permit the plans of reorganization to proceed subject to such further action in a higher court as the O'Brien interests may elect. A judgment dismissing the injunction will virtually constitute a judicial approval of the reorganization proposals sanctioned by a large majority of the bond holders. Evidence during the argument showed that Mr. J. O'Brien holds only $625,000 bonds of a $6,000,000 issue.

MOVING WHEAT TO EUROPE VIA PANAMA CANAL

Growing Volume of Shipments From the Port of Vancouver

OTHER PRODUCTS TOO

High Railroad Charges and Declining Steamship Rates Working in Favor of Water Borne Commerce

From Our Own Correspondent.

VICTORIA.—High railroad freight charges and declining charter rates on water-borne shipments make a combination which is likely to substantially strengthen the position of Canada's Pacific coast as a distributing centre for prairie wheat. The movement of grain through the port of Vancouver is rapidly growing and all shipments so far made to the United Kingdom by that route and via the Panama Canal have been highly successful. Several charters have been arranged lately between wheat exporters and a Swedish steamship line, and grain cargoes will be dispatched at regular intervals from Vancouver this spring.

F. C. Wade, K.C., British Columbia's agent-general in London, declares the pioneer shipment of wheat last December by the steamer Buenos Aires to be of great historic importance, inasmuch as it inaugurated a revolution in the transportation of wheat from the central provinces of Canada to Europe.

The Canal the Factor

The Panama Canal, of course, has been the all-important factor in developing wheat shipments from the prairie provinces through British Columbia. By way of Cape Horn the voyage to the United Kingdom is 15,000 miles long, while it is but 3,000 miles across the Atlantic. Naturally it was out of the question then to assume that the Pacific coast would give the Atlantic strong competition in this connection. The Panama Canal, however, cuts down the distance to such an extent that shipments via the all-water route through the canal are cheaper than the rail and water passage despite the fact that the latter is more direct.

That shipments from the prairies via British Columbia will ultimately embrace many products in addition to wheat is the prediction of shippers who have become interested in this new development. Indications are that rates on grain shipments from the prairies to Montreal will not be lowered for some time, while water freight rates have not yet reached bottom and are still sagging. The centre of gravity of the grain production region also is moving westward and irrigation will greatly add to the output of Alberta and central British Columbia, meaning more trade through the Panama Canal.

The future of the Far Eastern market for wheat is still uncertain, but if there is expansion in this territory British Columbia is the province that will reap the greatest benefit.

MAIL ORDER HOUSES

Some Recovery in Sales Reported for March

Though still substantially less than in 1920, sales of American mail order houses in March made a much better display than in the first two months of the year. On the other hand, gross sales of the chain store systems, while higher than in 1920, showed less increase in March than in February, though this difference was negligible.

Sears-Roebuck's sales in March were 27 per cent. below the previous year as against decreases of 50 per cent. in February, 47 per cent. in January and 38 per cent. in December.

Montgomery Wards's gross sales in March were $38 per cent. under the same month of the year previous against 51 per cent. in February, 34 per cent. in January and 30 per cent. in December; while American Wholesale Corporation reported decrease of only 10 per cent. compared with 28 per cent. in February, 34 per cent. in January and 20 per cent. last December.

Continuing prosperity of the chain store system is partly attributed, paradoxically, to extensive unemployment in the large cities. Five-and-ten-cent experts figure that men out of work buy necessities from these stores though in more prosperous times their patronage turns to retailers of greater eclat.

Sales of Woolworth, Kresge and United Cigar stores have displayed continuous growth in the first three months of this year as compared with 1920, with the single exception of Woolworth's January sales which decreased 1.65 per cent.

Your Income Tax

CUSTOMERS and Friends of the Bank are reminded to file their Income Tax Returns for 1920 before April 30 at the office named on the form—otherwise a penalty will be incurred.

Forms may be obtained from any Post Office

The Royal Bank Of Canada

THE HOME BANK OF CANADA

Branches and Connections throughout Canada

THREE PROFITS IN SAVING

There are three sources of profit in a Savings Account. In the first place, you securely have the money you save; then you have the interest paid on your savings; and finally, as the habit of saving grows, the person keeping the Savings Account develops an instinct for business.

(S-6)

ELEVEN OFFICES IN TORONTO

The Bank of Nova Scotia

Established 1832

Capital .... $ 9,700,000
Reserve Fund 18,000,000
Total Assets 230,000,000

GENERAL OFFICE - TORONTO, ONT.
H. A. Richardson, General Manager.

Branches at all the principal centres throughout Canada and in Newfoundland, Cuba, Porto Rico, Dominican Republic, Jamaica, and in the United States at—

Boston Chicago New York

London, England, Branch,
55 Old Broad Street, E.C. 2.

Collections made at lowest rates and returns promptly remitted. Accounts of firms, corporations and individuals carried on most favorable terms.

Correspondence Solicited.

THE STANDARD BANK OF CANADA

Quarterly Dividend Notice No. 122

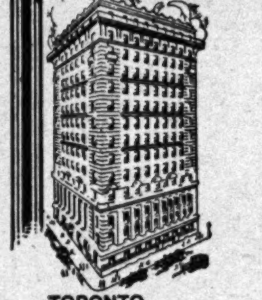
A Dividend at the rate of Three and One-Half Per Cent (3½) for the three months ending 30th April, 1921, has been declared payable on the 2nd of May, 1921, to Shareholders of record as at the 18th of April, 1921, being at the rate of 14% per annum.

By Order of the Board.

C. H. EASSON,
General Manager.

Toronto, March 23rd, 1921.

ESTABLISHED 1872



TORONTO OFFICE

THE immense resources of Canada must be developed to increase production of wealth sufficiently to take care of the country's indebtedness and to stimulate a continuous healthy growth. The Bank of Hamilton stands behind increased production and legitimate business enterprise.

BANK OF HAMILTON

BRANCHES THROUGHOUT CANADA

Dominion Appraisal Company, Ltd.

Appraisals for Financial and Insurance Purposes
Write for particulars regarding Supplementary Plant Ledger combined with our Appraisal.

TORONTO
8-10 Wellington St. East

MONTREAL
C.P.R. Telegraph Building

FORESIGHT

NOW

WILL PAY

Big Dividends

Write for particulars of some sound Investment Opportunities

Campbell, Thompson & Co.
Investment Bankers
Canada Life Building, Toronto

Investment Information

Our latest folder is a useful guide to the investor in Government and Municipal Bonds. Write for it.

Bond Department

CANADA TRUST CO.
14 King St. E. Toronto

Opportunity For Canadian Capital

We would like to interest Canadian capital to finance and manage an assembling plant in Canada. The Canadian company would enter into a contract with us, under which we would supply parts at cost, plus a per cent. F.O.B. factory.

A down payment of a substantial sum will be required to bind the contract, to be an advance payment against part shipments.

Canadian company will not have to manufacture parts or do any experimental work, but will have Canadian rights to a widely known article, with a large distribution at present in the United States.

Address

American Manufacturer
Box 86, Financial Post
TORONTO

There may be Unexpected Value in Your Unlisted Securities

Let us place a valuation on your holdings and advise you as to their future possibilities.

We are specialists in unlisteds, and our service and monthly letters are yours for the asking.

RICHARDSON, SHEPPARD & THORBURN
LIMITED
INVESTMENT SECURITIES

Royal Bank Bldg. - Toronto
A. 4732

The Canadian Converters' Company, Limited

DIVIDEND NOTICE.

NOTICE is hereby given that a Dividend of One and three-quarters (1¾%) per cent. has been declared on the Capital Stock of this Company for the quarter ending 30th April, 1921, payable 16th May, 1921, to Shareholders of Record at the close of business, 30th April, 1921.

By order of the Board,
THOS. M. BARRINGTON,
Secretary-Treasurer.
Montreal, 12th April, 1921.

NIPISSING MINES COMPANY, LTD.

Head Office, Toronto, Can., April 11, 1921.

The Board of Directors has to-day declared a Quarterly Dividend of THREE PER CENT. payable April 30, 1921, to shareholders of record April 18, 1921. Transfer books close April 18, 1921, and reopen April 29, 1921.

P. C. PFEIFFER, Treasurer.

SMELTERS' PROFITS HAD BIG DECLINE; DIVIDEND PASSED

Definite Action Taken by Directors for Two Quarters

LOSS IN INVENTORY

Of Over $600,000—Due to Heavy Slump in Prices of Metals—Prospects for 1921

From Our Own Correspondent.

MONTREAL.—The reason why the directors of the Consolidated Mining & Smelting Company of Canada, Limited, decided to defer the payment of the regular dividend for the final quarter of 1920 was made clear this week when a financial statement for the past year was forwarded to the shareholders. This showed a decline in net profits from $1,161,605 in 1919 to $291,349 for the year 1920, a drop of $870,000, or over 75 per cent. The decline in the price of metals, such as copper, lead and zinc, compelled the company to write down its inventory by $624,115, which cut down the profits for the year by that amount. Should the prices of the metals increase during the year 1921 this increase will be reflected in the earnings' statemnt. Not only did the directors at a meeting held on Tuesday of this week decide not to pay the dividend for the final quarter of 1920, but they decided also to pass definitely the dividend for the first quarter of 1921. In dealing with the dividend situation the president of the company, James J. Warren, declared that the directors felt warranted in paying the regular dividends for the first three quarters of the past year because of conditions in the mines and plants, improvements in metallurgical processes, and, of course, prevailing market prices, but in view of the changed situation they decided early in December to defer action on any further dividend declaration.

Not only is the company faced with a serious falling off in the demand for their products, but new financing will be necessary during the present year. This is intimated by an item in the balance showing special bank loan of $1,750,000, which is declared to be "Account capital expenditure, 1920, in anticipation of funding arrangements." Other bank loans at the end of the year amounted to $3,601,204, as compared with $3,067,435, an increase in this direction also of over $500,000, or a total increase in bank indebtedness of over $2,250,000, as compared with that of the year 1919.

The report of the president illustrates very clearly the serious cut in profits, due to the decline in prices during the last four months of the year. He states that from the inception of the company the practice has been to estimate profits each month, the bases being the cost of producing the metal and the market prices prevailing on the last day of the month. He then gives the prices for August 31 last, up to which date he declares prices had been fairly stable, and then the prices as in effect on December 31, which show a decline of over 3½ cents in zinc, 5½ cents in copper, 28½ cents in silver, and 2¾ cents in lead. The table shows the list of August 31 and December 31 as follows:

	Aug. 31	Dec. 31
Lead, f.o.b. Mont., per lb.	8.50	5.75
Zinc, f.o.b. Mont., per lb.	10.12	6.50
Copper, f.o.b. N.Y., per lb.	18.25	12.87
Silver, f.o.b. N.Y., per oz.	92.75	64.25

The profit and loss accounts for the past three years compare as follows:

Profit and Loss Account

	1920 12 mos.	1919 15 mos.	1918 12 mos.
Sales ....$	7,227,611	$ 9,761,005	$ 9,780,565
Inventories	3,336,463	2,987,297	2,828,451
Other rev.	31,287	11,659	16,005
Pow. Co. div.	241,844	242,537	160,006
Total .....$	10,837,205	$13,002,498	$12,784,985
Less—			
Or. pr. yr.	2,987,297	2,828,415	2,615,664
Cust. ore	1,747,402	3,066,580	4,120,244
Freight.	517,029	358,376	190,637
Gen. ex..	4,971,003	5,195,640	4,268,220
Develop.	203,278	280,271	219,202
Deprec.	105,116	102,139	408,557
Dir. fees	8,800	7,050	8,800
Writ. off	10,928	2,420	4,416
Net prof. $	291,349	$ 1,161,605	$ 949,245
Bond int.	251,023	185,539	......
Balance ..$	40,326	$ 976,065	$ 949,245
Divs.	790,027	1,315,462	1,047,745
Deficit ...$	749,701	$ 339,397	$ 98,500
Taxes .. .	99,618	150,391	113,652
Deficit ...$	849,319	$ 489,789	$ 212,152
Prev. bal..	1,658,333	2,148,122	2,360,275
P. & L. bal.$	809,014	$ 1,658,333	$ 2,148,122

The sales manager in dealing with the outlook for 1921 makes the following statement:

Prospects for 1921.

At the opening of the year the outlook was not favorable for the sale of normal quantities of our metals, but the demand over the first quarter having exceeded expectations we think we are justified in the belief that the lead, zinc and copper requirements for 1921 will closely correspond with the Canadian consumption of these metals for the year 1920. We look forward confidently to an increasing demand in the Orient for our lead and zinc, which, owing to very high purity, are rapidly coming into favor.

We estimate the Canadian consumption for 1921 as follows:—

Lead, lbs.	48,000,000
Zinc, lbs.	25,000,000
Copper (ingot-cake), lbs.	14,000,000
Copper (wire rods), lbs..	32,000,000

The working capital position was impaired seriously during the year, standing at a deficit of $2,162,640, as compared with 543,440 on the positive side one year ago.

WEST KOOTENAY POWER HAD DEFICIT

Subsidiary of Smelters Ran Behind Nearly $300,000 in Paying Dividends

From Our Own Correspondent.

MONTREAL.—The report of the West Kootenay Power and Light Company, which is a subsidiary of the Consolidated Mining and Smelting Company, of Canada, for sixteen months ending December 31, 1920, showed gross earnings in advance for the sixteen months, being $794,101, as compared with $560,129 for the twelve months of 1919, or an average per month of $49,569, as compared with $46,677 for the year 1919. Expenses, however, were very much heavier and with depreciation increased from $98,000 to $291,000 there remained a balance available for preferred dividends of only $51,567 as compared with $224,212. Out of this there were calls for the preferred dividends of $28,000, and common dividends of $323,140, leaving a deficit for the year of $299,573, as compared with a surplus of $15,798 one year before, or reducing the profit and loss surplus from $479,294 to $179,721 as at the end of 1920.

GOVERNMENT TO LEASE AND NOT SELL OIL LANDS

That is New Proposal To Be Considered At Ottawa

From Our Own Correspondent.

OTTAWA.—There has been a good deal of dissatisfaction manifested regarding the new oil regulations and it is understood that protests are reaching the Government pretty frequently. Some time ago H. A. Mackie, M.P., made a very strong protest in the house; and he now proposes to introduce a resolution to amend the Dominion Land Act in certain essential particulars, which would have the effect of completely wiping out the existing regulations for all practical purposes.

One of the provisions which it will probably contain will be that lands containing or supposed to contain oil, petroleum, natural gas or any substance containing petroleum or any product of petroleum shall not be sold, but shall be leased for an indefinite period extended over the time during which the substances mentioned can be obtained from the land. Where the Crown has reserved the mineral, oil or gas rights such lands, whether sold or homesteaded, may be leased.

To Grant Large Areas

In order to encourage serious development by well-financed persons or corporations, it will be proposed to grant large areas. The bill will provide that any British subject, or any corporation incorporated in any British country of which a majority of the directors are British subjects, may secure a lease for a tract of land not exceeding one square mile in extent within five miles of the territory where a discovery has been made, and beyond the said five miles the applicant shall be entitled to a lease of four square miles, provided no discovery has been made therein. Such leases would terminate if the applicant did not begin drilling operations within five years.

In case oil, gas or any substance containing petroleum or any of its products should be discovered, 10 per cent. of the output, measured at the well, would accrue to the Crown, payment to be made when the product is sold. Power is vested in the Governor in Council to make necessary regulations to protect the productivity of any field that may be discovered. Leases shall be transferable only to British subjects, as mentioned above.

V.N.T. GOLD MINES

Will Not Resume Operations Until Costs Decline

Shareholders of V.N.T. Gold Mines at the company's annual meeting in Toronto this week, decided to postpone the opening of the mines until financial conditions became easier. The financing necessary for the current year will be provided by the Associated Gold Mines of Australia, which company is largely interested in V.N.T. Major J. Macintosh Bell informed the meeting that the property was in excellent shape, but operating costs had not yet fallen sufficiently far to make it possible to resume active operations.

DULUTH-SUPERIOR

The Duluth-Superior Traction Company reports earnings for the first week of April amounting to $35,540, as compared with $38,792 for the corresponding period in 1920, a decrease of $3,251 or 8.4 per cent. while for the year to date the earnings amounting to $490,416 show a decline of $31,419 or 6 per cent.

The Future of Public Utilities

THE new census will reveal, we believe, a large increase in our urban areas. This is the reason for the great increase in the number of passengers carried by electric cars and the growing demand for light.

The use of electric power in factory operations is increasing by leaps and bounds. Further, there is a remarkable development in the sale of labor-saving devices for household use, such as electric washers, irons, etc.

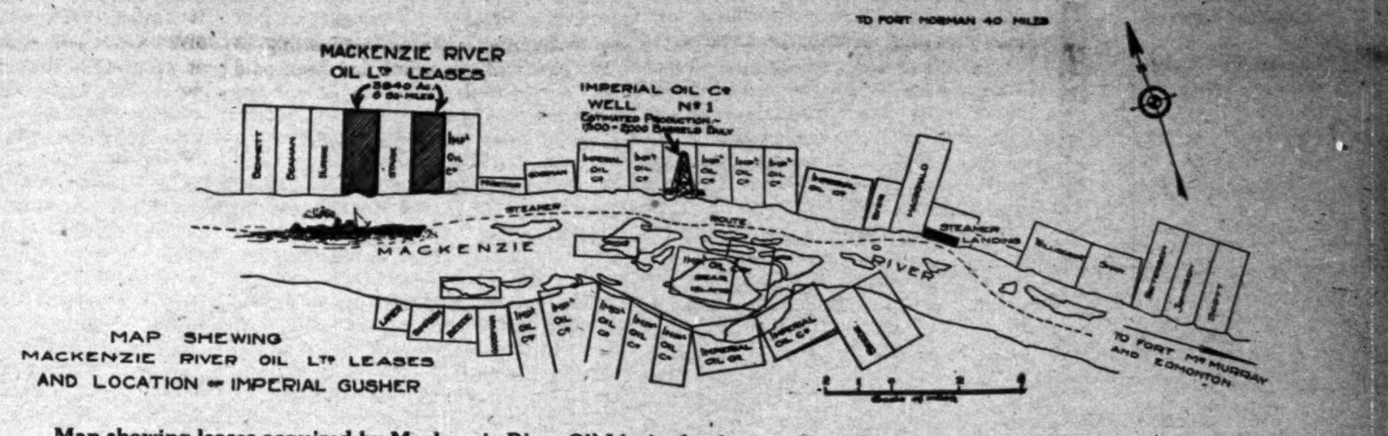
More and more our whole system of society is becoming dependent upon electric energy, all of which is being reflected in the earnings of our Public Utilities, which in most cases have been adjusted to a profitable basis, and face the future with strong credit and largely increased property values.

Before the war the securities of such companies yielded 5% to 6%. Today the same class of Securities can be purchased at prices to yield 7% to 9%.

NESBITT, THOMSON and Company, Limited
Bank of Hamilton Bldg., TORONTO
Montreal Hamilton London, Ont.
76

CAN YOU SELL?
If so, why not connect up with the
MONARCH LIFE
and secure a contract which will give immediate returns and build up an income for the future? Life insurance experience not essential.
ARTHUR SPLATT, Ontario Field Secretary
311 Temple Bldg., Toronto. M.7704

A Business-Like Proposition for the Development of the Rich Oil Resources of Canada's Northland



Map showing leases acquired by Mackenzie River Oil Limited, where wells will be drilled during the coming season

Mackenzie River Oil Limited

(No Personal Liability)

Incorporated under the Ontario Companies Act

Authorized Capital $5,000,000

Divided into 500,000 shares of $10.00 each par value

OFFICERS AND DIRECTORS:

President, C. MILLAR,
Millar, Ferguson and Hunter, Toronto.
President, Alberta and Arctic Transportation Company, Limited, Toronto.

Vice-President and General Manager, F. E. DAVISON,
Mine Owner, Toronto.
President, Universal Gas and Oil Limited, Toronto.

Treasurer, W. J. SMITH,
President, John B. Smith and Sons, Limited, Toronto.

Director, R. J. FLEMING,
Manager, Toronto Street Railway.

Director, E. W. BACKUS,
President, Fort Frances Pulp and Paper Co., Ltd., Fort Frances, Ont.
President, Keewatin Lumber Co., Ltd., Kenora, Ont.
President, Minnesota & Ontario Paper Co., Ltd., International Falls, Minn.

Bankers, The Dominion Bank, Toronto.
Solicitors, Millar, Ferguson and Hunter, Toronto.
Auditors, Thorne, Mulholland, Howson and McPherson, Toronto.
Transfer Agents, The Royal Trust Company, Toronto.

Mackenzie River Oil Limited Shares Offer the Business Man an Opportunity to Share In the New Oil Discoveries

MACKENZIE RIVER OIL LIMITED has acquired the right to 3,840 acres under the old regulations (six square miles) of oil leases on the banks of the Mackenzie River, in the Fort Norman Oil Field, where the Imperial Oil Limited has recently brought in a big well. The Company has also acquired 10,000 acres of oil leases in the Peace River District. Three new National drilling rigs have been ordered, and experienced drillers are engaged to take charge of the season's drilling. The company intends sending an expedition into that district to acquire direct from the Government an additional block of Oil Leases.

SIX POINTS:
1. Well organized.
2. Extensive leases in a field of great possibilities.
3. Managed and supported by business men.
4. Technical operations in charge of experts.
5. All equipment ordered.
6. Expect to commence drilling operations July 1, 1921.

The management of the company is in charge of business men. The field operations will be in charge of a competent engineer and geologist, and experienced oil operators familiar with Northern conditions.

Mackenzie River Oil Limited shares are an attractive investment. Attention is directed to the low price of the shares, and the consequent prospects of a very large increase in value and substantial earnings.

To finance the purchase of drilling rigs, supplies, cost of expedition and development work, the company now offers the first one hundred thousand Treasury Shares at $5.00 per share (fully paid and non-assessable and not subject to call).

For complete Prospectus of the Company, write to

Mackenzie River Oil Limited

(No Personal Liability)

Head Office: 59 Yonge St., Toronto - - Adel. 26

Oils, Industrial, Mining *and* Curb Securities

are covered most thoroughly and comprehensively in the

STONEHAM WEEKLY MARKET LETTER

which has been issued every Friday since 1903.

Write for copy.

Chas. A. Stoneham & Co.
Established 1903
Stock Brokers
23 Melinda St., Toronto, Ont.

Invest $47 with us at 5% and run eight chances every year to win ONE MILLION francs.

We invite correspondence.

J. G. GARNEAU & CO.
97 St. James St., Montreal

INVESTORS

holding certain short-term bonds have opportunities now to exchange them for long-term bonds to advantage and profit.

Call Us—Ad. 4583

Security - Then Profit

A. ANGUS MACDONALD & CO.
C.P.R. BLDG. TORONTO

THC

A Problem In Exchange

Do you know the value of One Thousand Canadian Dollars in American Funds at Rate of Exchange of

12 21/32% Premium

We will mail you free table giving American equivalent discount rate based on Canadian premium from 1/32 to 25% also, value of One Thousand Canadian Dollars, in U.S. funds at the same rates, worked out in thirty seconds.

Truax, Higgins Co.
Investment Bankers
17 St. John St. Main 3618
Montreal

A Great Magnet

The tremendous electrical energy generated in Canadian Rivers acts as a mighty magnet drawing continuously into Canada's borders many and varied industries.

The prosperity of any modern community depends on its supply of electric power; it is the life blood of modern industrial life.

We strongly recommend Public Utility Bonds as being a most safe, stable and attractive form of investment.

Write for List.

BALFOUR, WHITE & COMPANY
Investment Bankers
136 St. James St., Montreal
Telephone: Main 1516-1517

ESTABLISHED 1849

BRADSTREET'S

Offices Throughout the Civilized World

We Present a Record—Not a Prospectus

Reputation gained by years of vigorous, consciencious and successful work.

John A. Thompson
General Manager Western Canada
TORONTO

READJUSTMENT OF GOODYEAR TO MEET FUTURE

New Financial Arrangement Follows Passing Of Dividend

PREFERRED OUTLOOK

Rapid Recovery is Anticipated and Good Hopes Are Held Out For Holders of the Cumulative Issue

Following hard upon the passing of the preferred dividend by the Goodyear Tire & Rubber Co. of Canada comes word of application before the Provincial Government for an act making possible a rearrangement to the end of putting the company in a position where it cannot only go ahead with production, but where it would seem possible to get back in some reasonable length of time to a dividend basis on the cumulative preferred. The steps proposed, and the reasons which have made these necessary will be of interest not only to the 2,600 Canadian investors who are holders of Goodyear preferred, but to other investors in industrials, for it serves to visualize the different standing of a preferred shareholder from a bondholder, the former really being a partner in the business, getting profits when profits are made, and being called upon to forego profits when conditions make these profits unobtainable, or unavailable for distribution.

The falling off in business both here and in the United States, where the parent company, Goodyear Tire & Rubber Co., of Akron, Ohio, is located, had something to do with the Canadian company's difficulties; but the principal factor has been the falling off of export business. At the beginning of 1920 the American company, though turning out some 50,000 tires a day, was unable to look after any large amount of foreign business. The Canadian company was determined upon as the one best able to look after this foreign business, and extensions to the plant providing for this on the estimated basis were made at a cost of $2,600,000. The American company is said to have given to the Canadian company an understanding that there would be required for this foreign business a minimum of 5,000 tires a day, running probably to 7,500. It is not claimed that this was a contract, but that it was an understanding.

The expectation of this large foreign business necessitated commitments for raw materials, though these were not apparently made for the whole estimated production. When demand stopped, therefore, as it did practically overnight, the Canadian company was committed for some $5,000,000 worth of fabric and some $2,500,000 worth of rubber. There was no opportunity to dispose of this.

In addition to these obligations the Canadian company was confronted with a liability to the Akron company of $3,800,000 as a result of a revolving credit which has been the practice for some time. This credit, according to the general practice, was covered by notes in favor of the Akron company. The difficulties of the latter company led its directors to endorse some $1,200,000 of these notes, using them to liquidate some of their own liabilities.

Such was the general situation which the Canadian company faced. The opinion was held that the securing of certain extensions would not only enable the continuation of operations, but the paying off in cash of Canadian creditors. Such arrangements the Canadian company believes it has now arranged, pending only the passing of the necessary act. Roughly the arrangement proposed is as follows:

The holders of the $1,200,000 notes of the Canadian Goodyear Company, which were endorsed over to the creditors of the Akron Company, are to be given three year eight per cent. gold notes, with two yearly renewals allowed, 25 per cent. to be paid in cash as each renewal is effected. The notes may also be retired at par at any interest date. For the balance of something less than $3,000,000 notes held in the treasury of the Akron company there is given 6 per cent. prior preferred stock at par. Rubber commitment creditors will be paid 20 per cent. in cash on deliveries and the balance in ninety day notes with interest at seven per cent. with the privilege to the company of securing three ninety day renewals upon payment of 25 per cent. of the balance owing at the time of each renewal; and Fabric commitment creditors agree not to require the company to take deliveries more rapidly than it requires for production and to accept payment against deliveries 25 per cent. in prior preference stock or preferred stock at par and 75 per cent. in cash.

As a result of this arrangement the few large creditors, all of whom appear to be in the United States, take notes or preferred stock as settlement. The Canadian creditors will be paid in cash. It would seem that there is available working capital. A good quantity of finished tires are on hand, for which there is a demand. The inventories have been written down—holders of the common stock, who are the Akron company (76 per cent.), and a few officials of the Canadian company reducing the value of their shares from $100 to $10. Bank accommodation is satisfactorily adjusted.

Upon the completion of this readjustment it is held by the Canadian company that a rapid recovery will be made. Certainly estimates of expenditures and receipts seem to justify this hope. Perhaps sales may not be what are expected—though no extravagant claims are made; yet there appears good ground for hope that as has been the case with some other industrial companies which will occur to many investors a sound position will be achieved before too long a period. There will doubtless be some selling of the preferred shares, and already it is evident that buyers for these, at a price, will not be wanting.

FUND DEBTS ST. JOHN AND QUEBEC RAILWAY

Will Require Issue of $750,000 Bonds By N. B.

Following the presentation of the provincial budget in the New Brunswick Legislature, an act was introduced providing for the funding of the debts of the St. John and Quebec Railway. This would include $134,449 paid out of consolidated revenue, for interest during construction and $42,000 outstanding on October 31, 1920, for capital expenditure besides $73,000 needed to clean up outstanding accounts. The maximum amount to be bonded therefore under the first clause was $250,000. There was a suit pending with the Bank of British North America in which $33,000 was involved, and claims not yet arbitrated upon amounted to $25,000, and when provision was made for those amounts, it was hoped it would be the last.

Another clause provides for the funding of the net interest charged up to October 31, 1920, amounting to $252,351, which amount had been paid by the province after its share of the earnings had been deducted. The third clause would provide for the balance of three year's interest at the rate of $250,000 per year, making a total of $750,000 up to the end of 1922.

A small surplus is anticipated in the provincial revenues for the present year. Estimated receipts are $2,895,856 and estimated expenditures $2,886,526. Income is reduced and it will be necessary for the province to curtail expenditures and postpone the inauguration of many projected undertakings if a deficit is to be avoided.

UNLISTED SECURITIES

	Bid.	Asked.
Alta. Pac. Grain, com.	130	150
Do., pref.	78	84½
Belding Paul, pfd.	74	76
Brand-Henderson, pfd.	89½	94
British Amer. Assur.	8	11
British American Oil	30	32
Can. Machinery, com.	20½	24
Can. Mortgage	68½	72
Can. Oil, com.	..	68
Can. Westinghouse	104	115
Can. Woollen, pfd.	..	70
Cockshutt Plow, 7%, pfd.	59	62½
Crown Life Insurance	..	65
Cuban Can. Sugar, com.	5½	7½
Dom. Power, com.	30	35
Do., pfd.	87	89
Dunlop Tire, pfd.	85	92
Eastern Theatres, com.	10	13½
Famous Players, pfd.	70	80
Goodyear Tire, 7%, pfd.	..	55
Gunns, Limited, pfd.	58	66
Home Bank	98½	101
Imperial Oil	103	107
King Edward Hotel, com.	70	75
Loew's Buffalo, com.	3¼	4½
Loew's London, com.	5	6½
Manufacturers' Life	170	200
Massey Harris	..	95
Matagami Pulp, com.	14½	..
Do., pfd.	67½	72
Merchants Fire	37	..
Murray-Kay, pfd.	62½	70
National Life	150	..
North Amer. Pulp	4¼	4½
North Star Oil, pfd.	3½	3⅝
Riordon, c. (new stock)	15	16
Do., pfd. (new stock)	67¼	68¼
Robt. Simpson, pfd.	78	82
South. Can. Power, com.	22¼	24½
Do., pfd.	75	76
Sterling Bank	110	114½
Sterling Coal, com.	22	25
Trust & Guarantee	70	77
Western Assurance	9	12
Whalen Pulp, com.	10	15
Do., pfd.	..	39½
Dom. Foundries, com.	40	45
Do., pfd.	88	90

UNLISTED BONDS

	Bid.	Asked.
P. Burns, 1st Mort., 6s	92	99
Can. Machinery, 6s	75	85
Collingwood Ship, 6s	91	..
Harris Abattoir, 6s	89	95
Wm. Davies, 6s	93	98
N. S. Steel, dbs., 6s	75	80
Mex. Nor. Power, 5s	7	10½
John Morrow Screw, 6s	83	89
Ontario Pulp, 6s	92	96
Toronto Power, 1924, 5s	88	..
King Edward Hotel, 7s	76	80
Dom. Iron & Stl., 5s (1939)	67	70¾
Lake Sup. Paper, 6s	92	95

GOLD MINES OF THE NORTH ARE NOW VERY ACTIVE

Big Season of Production is Being Generally Anticipated

PRODUCTION COSTS

Are Still High For Some Properties but Operations Generally Will Be on a Profitable Basis

From Our Own Correspondent.

COBALT.—The gold mines of Northern Ontario are stepping out to show just what they can do. The stage is set for a real step forward in yellow metal production. Prior to the war several of the big mines were just coming up. Many others were just starting development and most of them, especially those of Kirkland Lake, were non-existent. Gradually these new properties have been opened up and the larger ones brought up to the state of efficient organizations, but there has always been something to impede their progress. The war provided an acute labor shortage and several of the mines were forced to suspend altogether. It was just past the middle of last summer that this condition began to right itself and in its place came the power shortage.

However, to-day troubles have been set aside and the march forward is in progress. True, some of the mines would be pleased if there was a lowering of costs, but not one of them will suffer materially by the present prices as the margin of profit in all cases is sufficient to warrant their going ahead. Last year the gold production of the province reached the handsome total of $11,000,000, passing that of silver for the first time in the history of the province. Generally speaking it is thought that the last three-quarters of this year will more than equal that amount.

Many Discoveries Claimed

Of course it is hard to prognosticate when the gold production will reach the peak. New gold camps are coming up every day. It is to be noted that claims of discoveries involve over one hundred townships yet at present the production is confined to but three, although there are two or three others which should soon have working mines.

The Porcupine camp is the first to spring ahead. At the beginning of the week, the mining companies were notified by the power companies that they could increase to their full power capacity whenever they wished as the power was ready for them.

The Northcrown just at the proper time has made an excellent gold discovery. On the 500-foot level $20 ore has been opened up. The discovery was made while opening up a section of the main vein of the mine in the hopes of locating ore.

The Bidgood of Kirkland Lake will reopen the first of next month. This mine is carrying out the pioneer work in Lebel township. The shaft is down 300 feet and considerable lateral work has been done.

Within a short time the Lake Shore expects to tap No. 2 vein on the 600-foot level.

The Goldale Mining Co., which had taken over the Bewick-Moering interests in Porcupine, east of Pearl Lake, is going to open up. There is a good plant on this property. The new interests are New Yorkers.

Allied-Porcupine in Field

The Allied-Porcupine Gold Mines, a new company, is to take over the combined interests of the Three Nations and Le Palme. These properties include some veteran claims bringing the total acreage up to a square mile. It is in the northeast part of Whitney near the Keora.

The Bailey has just sent out an excellent shipment of high-grade silver. Development on the Bailey shows that the new ore shoot recently reported is larger than was first thought. Officials of the company appear quite satisfied with the progress made.

Mining Corporation

There have been rumors about that the Mining Corporation was to resume as soon as the wages were cut. There is no official authorization for this report. Quite extensive alterations in the plant are being made and it is certain that work will not go ahead until this is concluded.

The Kerr Lake company has exercised its option on the Hargreaves silver property. The price was about $17,000. This will wipe out the debt of the Hargreaves but leave little for the stockholders. The property adjoins the Kerr Lake and can be easily worked by the extension of the Kerr Lake drifts.

SAFE, SANE and SOUND

The Northwestern Life Assurance Company first introduced into Canada three years ago Life Assurance without Medical Examination.

The system is based on the actual experience of twenty British Life Offices over a period of nearly a quarter of a century. It is scientific and absolutely safe.

As we anticipated three years ago, this modern reform is now being recognized by other leading companies in the Dominion.

Life Assurance Without Medical Examination has come to stay, and we are proud to have been the originators of this system in Canada.

Other offices take only $1,000—we take up to $2,500 Without Medical Examination.

The Northwestern Life is always first in reform—a good company to represent.

HEAD OFFICE: 166 DONALD STREET, WINNIPEG

The NORTHWESTERN LIFE ASSURANCE COMPANY
NORTHWESTERN BUILDING WINNIPEG CANADA

138

Our Debentures Pay 5½% *Interest*

Issued for periods of one year and upward.

Write for particulars

3½% interest paid on deposits — subject to cheque withdrawal.

CENTRAL CANADA LOAN AND SAVINGS COMPANY

King & Victoria Sts. Toronto.

ESTABLISHED 1884

CPTC

The Service of an Expert

The management and investment of funds needs the judgment of an expert. Amateurs sometimes succeed;—on the other hand, they often fail.

The property which is to yield an income to your family after your death;—

The Trust Fund which is to yield an income to a person or cause dear to your heart;—

Even the investments which yield you your present income;—

All need the expert management, the extensive knowledge, the prudence and foresight, which

The Canada Permanent Trust Co.

can give them.

Through its branches throughout Canada, this Company is in touch with business conditions from the Atlantic to the Pacific. It is not only in a position to care for your present property, but to make further investments for you which shall be both safe and profitable.

Whether as Executor, Trustee, or Financial Secretary, this Company is in a position to render you and your family a valuable service.

The Canada Permanent Trust Co.
Toronto Street, Toronto
Paid-up Capital - - - $1,000,000
Manager, Ontario Branch - A. E. HESSIN

City of St. Boniface Debentures

SEALED Tenders, addressed to the undersigned, and marked on the outside, "Tenders for Debentures," will be received up to eight o'clock P.M. on Monday, the 25th day of April, 1921, for the purchase of the following debentures to pay for Local Improvements, Bridge and Waterworks:

Date of issue—2nd January, 1921.

30-year	Bridge	5%	$150,000.00
20-year	Waterworks	6%	50,000.00
15-year	Pavement	6%	70,548.00
10-year	Pavement	6%	2,685.00
			$273,233.00

Principal payable at the end of the term.

Coupons for interest attached.

Interest payable half yearly, on July 2nd and January 2nd.

Principal and interest payable at:

Banque d'Hochelaga, St. Boniface and Winnipeg, Man., and Montreal, Que.

Canadian Bank of Commerce, Toronto, Ont.

Clydesdale Bank Limited, London, England.

Debenture and Coupons expressed in Sterling and Canadian currency and of denominations desired by purchaser.

Purchaser to pay accrued interest, take delivery and make payment in St. Boniface or Winnipeg, in Manitoba, Canada.

Total amount of bid to be expressed in Dollars and Cents.

No tender necessarily accepted.

ERNEST GAGNON,
St. Boniface, Man. City Clerk.

Municipal Debentures

THE Town of Sturgeon Falls has to offer for sale $126,500.00 of Debentures payable as follows:

Sidewalks, 20-year debentures with interest at 6%	$35,000.00
Sewer, 30-year debentures with interest at 6%	91,500.00
Total	$126,500.00

The town is in exceptionally good financial condition and is growing. The Spanish River Pulp and Paper Mills, Ltd., have a large mill in the town, and are undertaking extensive improvements at the present time.

The population is about five thousand, and the town is centre of a large and flourishing farming territory.

The amount of the whole rateable property of the municipality, according to the last revised assessment roll, is $1,025,971.00, and the existing debenture debt exclusive of Local Improvement debt secured by special rates of assessment is $28,725.18.

All communications or enquiries may be addressed to the Mayor, Z. Mageau, M.P.P., Sturgeon Falls, or Mr. Mageau may be interviewed personally at the Parliament Buildings, Toronto, during the remainder of the Session.

Dated at Sturgeon Falls this 28th day of March, 1921.

LS. ROD. VANNIER,
Town Treasurer.

ILLINOIS TRACTION

The February earnings statement of the Illinois Traction Company shows gross amounting to $1,845,157, an increase of $219,061 over the figures for the same month in 1920. Operating expenses and taxes amounting to $1,324,280 left net at $520,876 which compared with $493,817 in the previous year, an increase of $27,059.

For the two months ending with February gross amounting to $3,827,295 was higher by $471,465, and net at $1,056,693 showed an increase of $42,632.

SPECIAL TO PAPER AND TEXTILE MANUFACTURERS

L. B. HOLLIDAY & Co., Limited

MANUFACTURERS OF

ANILINE DYES AND COAL TAR PRODUCTS

HUDDERSFIELD, England

have opened a Canadian Office and Warehouse at

27 St. Sacrement Street, MONTREAL

STOCKS MAINTAINED IN CANADA

Phone Main 5105
Telegrams: "DYEWARES MONTREAL"

Samples on Application

Western Canada Flour Mills Company

Limited

A. KELLY, *President* — J. E. MACFARLANE, *Gen. Mgr.*

Head Office: Toronto

Mills at
Goderich, Brandon, Winnipeg, Edmonton, Calgary, Victoria

Daily Capacity—Flour, 10,000 barrels. Rolled Oats, 1,000 barrels

MANUFACTURERS OF

PURITY FLOUR — PURITY OATS

THE FOUNDATION COMPANY
LIMITED

ENGINEERS AND CONTRACTORS

INDUSTRIAL BUILDINGS AND HEAVY FOUNDATIONS
STEAM AND HYDRO-ELECTRIC POWER DEVELOPMENT
DAMS AND BRIDGE PIERS
UNDERWATER CONSTRUCTION

MONTREAL — VANCOUVER

Century Coal Company
LIMITED

310 Dominion Express Building
MONTREAL, QUE.

COAL

TELEPHONE
MAIN 7300

The Wabasso Cotton Company, Limited

THREE RIVERS, P.Q.

Manufacturers of Fine White Cotton, also Spinners' Fine Counts of Yarns.

BUSINESS FOUNDED 1795

AMERICAN BANK NOTE COMPANY

Incorporated A.D. 1897 by Act of the Parliament of Canada

STEEL ENGRAVED BANK NOTES, BONDS,
STOCK CERTIFICATES, CHEQUES
AND OTHER MONETARY DOCUMENTS

SPECIAL FACILITIES FOR THE PREPARATION OF MUNICIPAL DEBENTURES

HEAD OFFICE and WORKS
OTTAWA

Branch Offices:
TORONTO — MONTREAL — WINNIPEG

MACDONALD'S
CUT BRIER

1/12 lb. Package 15c
1/2 lb Tin . 85c

More Tobacco for the Money

FRANK JONES WILL BECOME MANAGER RIORDON COMPANY

Radical Changes in Board of Directors of Pulp Producer

SENATOR EDWARDS

Helped to Make Changes—George McKee, F. N. Southam and Fred Bronson Added

From Our Own Correspondent.

MONTREAL.—Some radical changes in the directorate of the Riordon Company were announced this week that are taken generally to forecast a considerable change in the managing end of the big organization. Charles Riordon, the veteran president of the company, becomes honorary president; Carl Riordon, who has been vice-president and managing director, succeeds his father as president of the company; and a new factor was introduced in the person of Frank P. Jones, who becomes vice-president, and, it is understood, will take over shortly the active control of the management of the company. The choice of Mr. Jones, whose name is so intimately associated with the Canada Cement Company, is connected to some extent in the public mind with Senator Edwards, president of the Cement Company, from whom were purchased last year large timber limits and saw mills, and who therefore is still financially interested in the Riordon operations for a large amount. Senator Edwards is also president of the Bathurst Lumber Co., a producer of pulp, so here too a closer connection for him with the pulp business of the Riordon Company is established as a natural sequence. It is not the intention for Mr. Jones to sever his connection in any way with the Canada Cement Company, but that position has become such that it is expected that he will be able to give a good deal of attention to the new task.

Mr. Jones joins the company when its new mill at Kipawa is nearly completed after an expenditure running well towards $15,000,000. The present capacity is about 175 tons a day, and soon will be increased to about 240 tons, while two other mills, at Merritton and Hawkesbury, produce another 175 tons daily, a total present capacity of 350 tons a day. As with all grades of pulp the market for bleached sulphite has been far below normal for some months, and the price received for the pulp has shown a heavy decline over the peak of last year, but this business may be counted on to resume its brisk character as soon as general business conditions revive again. Announcement will be made in a few days of the terms of the new financing for the company which is required to provide working capital.

Others on Board

Associated with Mr. Jones on the board there will also be an expert pulp and paper man in George M. McKee, general manager of the Donnacona Paper Co., Ltd., who has made a distinct success in the development of this property. Others are F. N. Southam, Montreal, connected with the well-known Southam interests, and Fred E. Bronson, of Ottawa, president of the Bronson Company, manufacturers of pulp, and also generators of electric power.

Several other names may be added, while vacancies will be created in some cases on the board as it has been constituted. It is felt that the addition of the widely experienced industrial men to the directorate will be of very great benefit to the company along the broader lines of activity that have followed on the acquisition of the Edwards and Gilmour-Hughson limits and saw mills, with the expansion in the bleached sulphite production that the construction of the Kipawa mill has entailed. The expenditure on this mill in the Northern woods has been very heavy, but it is felt that the quality of production is such that Canada is in position to compete with the very best pulp that can be turned out anywhere in the world.

BROMPTON PULP

The sales of the Brompton Pulp and Paper Company are showing a steady improvement for the past three months over the low of December, when the kraft paper and box board market in the United States practically faded away. The last couple of months have seen a revival of the boot and shoe and textile industries in the New England States, with the result that the two United States subsidiaries of the Company have been in receipt of a good volume of orders. Sales as a result, ran in March over 60 per cent. ahead of those of December. The newsprint mill is operating around four days a week, with the price for the April-June quarter down to $110 a ton.

SOO LINE EARNINGS

C.P.R. Subsidiary Has Not Been Meeting Charges

Monthly operating deficits of Minneapolis, St. Paul & Sault Ste. Marie in the half year beginning September 1, with the termination of federal guaranty, have exceeded earnings plus non-operating income. Nothing has been earned on fixed charges or on stock in this period.

"Soo," which is controlled by Canadian Pacific, declared regular 3½ per cent. dividends last month and as these are semi-annual, payment will not come up again for consideration until September.

NO NEW FINANCING FOR LAURENTIDE CO.

Official Denial of Street Talk—Company's Unusual Contract Increases Output

From Our Own Correspondent.

MONTREAL. — In answer to a question of THE FINANCIAL POST following several rumors that had appeared on the "Street," C. R. Hosmer, vice-president of the Laurentide Company, stated this week that there was no intention of making a bond or any other issue for the company. The position of this company in regard to financing is different from that of the majority of pulp and paper companies. The Laurentide Company has no bond indebtedness and no preferred stock, the only security outstanding being its common or capital stock. The result of this position is that bank loans can be more readily secured and maintained when necessity arises.

The company is also in an unusually favorable position in regard to a market for its newsprint as produced by its new machines. Two of these were started in the last few months, one in December and one in February, and at present are producing over one hundred tons a day. The special advantage that covers the production of these two machines is that the whole product goes under contract to the New York Times, so that the company is sure of a market for the product of the two machines at current prices, and when they are tuned up they are expected to run from 140 to 150 tons daily. The production of the other machines is down considerably, like that of all newsprint mills in Canada, but the addition of the new machines under their peculiar arrangement brings the daily total of Laurentide newsprint well above that of the highest point of last year.

The manifestation of strength of the stock this week was not due, it would appear, to any particular cause other than that of investment buying. It is known that large blocks of the stock have been taken up by New York publishers as an investment, particularly those that are customers of the Laurentide Company.

TWIN CITY ACTIVITY IS NOT EXPLAINED

Interests Identified With Affairs See no Developments to Account for Fluctuation

Interests identified with affairs of Twin City Rapid Transit Co. profess to see no reason for activity and violent fluctuations of the common stock. Practically until the end of 1920 the company was one of the few which was compelled to operate on a straight five-cent fare. Late in the year an increase to 6 cents was given, and this year the rate was raised to 7 cents, but so far earnings have not reflected this in view of the fact that fare advances were contingent upon increased service. A favorable factor is found in the action of the State Legislature, which has just passed a bill providing for a zone fare, but relief from this source is dubious and may not materialize for some time.

Net earnings after payment of taxes and fixed charges for the two months ended February 28 amounted to $42,722 against $52,999 the same period a year ago. On this basis, net for the year available for dividends, including estimated miscellaneous income, would approximate $356,000. Requirements for preferred dividends amount to $210,000, which would leave about $156,000 for the 220,000 shares of common stock. It has been the policy to pay a dividend at the end of the year on the common stock, and there is no reason to look for any deviation from this. In 1920 $3 was paid on the common and $2.50 in 1919.

Net for common will probably show considerable improvement over the estimate based on the two months' showing as figures improve later in the year. Earnings in 1920 were at the rate of $3.59 on the common.

MERCANTILE TRUST COMPANY
of CANADA Limited

HAMILTON — ONTARIO

CAPITAL PAID UP $500,000

BOARD OF DIRECTORS

PRESIDENT
CYRUS A. BIRGE

VICE-PRESIDENTS
MAJOR HENRY L. ROBERTS, Grimsby. — JAMES TURNBULL, Toronto

DIRECTORS
C. C. DALTON, Toronto
A. E. DYMENT, Toronto
J. J. GREENE
THOS. C. HASLETT, K.C.
SIR JOHN S. HENDRIE, K.C.M.G.
J. F. KAVANAGH
COL. JOHN I. McLAREN
LT.-COL. W. H. MERRITT, St. Catharines
MAJ.-GEN. THE HON. S. C. MEWBURN
STANLEY MILLS
C. S. WILCOX
W. A. WOOD

MANAGER
S. C. MACDONALD

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give

FINANCIAL ASSISTANCE

to Estates being administered by it

PAID-UP CAPITAL AND RESERVE.............................$1,172,000

The Imperial Canadian Trust Co.

EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.

HEAD OFFICE: WINNIPEG
BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY
VANCOUVER AND VICTORIA

GENERAL SALES & ENGINEERING CO.

G. A. McLEOD, C.A. — W. H. NOONAN, C.E.

Manufacturers' Agents — Engineers — Builders and Construction Supplies
Commission Merchants — Exporters

ROY BUILDING - HALIFAX, N.S.

A Neighborly Service for a Moderate Charge

Your Vote Will Decide

Shall the importation and the bringing of intoxicating liquors into the Province be forbidden? NO

Shall the importation and the bringing of intoxicating liquors into the Province be forbidden? YES X

You Voted against the SALE—
—Vote Now against the IMPORTATION

THE people on April 18 decide by the ballot reproduced above whether liquor for beverage purposes shall be allowed to come in, or whether the door shall be shut.

Earnestly we ask you to vote — vote to clinch your former vote.

By your last vote against the Sale of liquor you made Ontario safe from within.

Now vote against Importation, to make Ontario safe from without.

Prohibition should apply to all alike.

Take nothing for granted. Every temperance vote is needed. Every temperance vote must be cast.

See that your wife and every member of your household with a right to vote gets to the polls.

Let us roll up a decisive majority and settle this question.

Get Out The Vote

Mark your ballot with an "X" and an "X" only after the word YES

Ontario Referendum Committee

29

Foreign Exchange

The Foreign Exchange Situation has created one of the most attractive speculative investment opportunities ever offered to the investing public and provides very substantial profit making assurances until the ultimate restoration of the Gold Standard for European Exchange is reached.

For quotations of Foreign Government Bonds and further particulars, apply to

R. M. Heffernan & Co.
LIMITED
Investment Brokers
Head Office: 204 Jackson Building, Ottawa, Ont

Rice Lake Mining Properties
Buy Commonwealth Gold Mines Ltd. Development Stock at 25c per share. Par value $1.00, fully paid and non-assessable.
Enquiries solicited.
Geo. H. Porter, 239 Curry Bldg.
Winnipeg, Man.

NAP. G. KIROUAC
BOND DEALER
UNION BANK BUILDING
56 ST PETER ST.
QUEBEC

VICTORY BONDS
Bought - Sold
Quoted
Ryan, Grier & Hastings
LIMITED
MONTREAL 98 Notre Dame St. W. Main 1493
TORONTO 33 Melinda St. Adel. 2246-7

Where There is No Will There is No Way

of overcoming the necessary legal delay in settling an estate consequent on intestacy.

You know what intestacy means? The dictionary will tell you, and a lawyer will confirm it.

But what it really means to those you wish to protect cannot be described so shortly. It cannot be IMAGINED WITHOUT ALARM.

Every man and woman should make a Will at the earliest possible moment, and should appoint The Union Trust Company as executor. Then his wishes will be carried out faithfully.

Call and see us, or 'phone or write and we will send an officer of this Company to see you. In any event, write for our booklet, "Why a Will?" It is interesting.

Union Trust Company
Limited
Richmond and Victoria Streets 143
Winnipeg TORONTO London, Eng.

TO
CABLE USERS
Economise without Sacrifice of Efficiency
Mark your messages to the United Kingdom
"Via Marconi"
and reduce your cable bill
RUSH RATE—18c. per word
File at any Marconi, C.P.R. or C.N.T. (G.N.W.) Telegraph Office.

Falling off in demand for diamonds makes 1921 prospects for industry less satisfactory than has been the case in recent years, according to Johannesburg despatch quoting Sir Thomas Cullinan of Premier Diamond Co.

TRINIDAD POWER MADE VERY MUCH BETTER SHOWING

Net Earnings For the Year Showed a Marked Increase

DEMERARA ELECTRIC

Report for Year is Less Encouraging—Both Companies Have Serious Fuel Problem To Solve

From Our Own Correspondent.

HALIFAX.—The nineteenth annual report of the Trinidad Electric Co., in which many maritime investors are interested, has been issued. The net earnings for the year were $66,451.51 as against $26,301.51 for the previous year. The price of fuel oil has advanced from $17 per ton to $22.80, but it is hoped there will be a reduction in this price after 1921. If there is not it may be found advantageous to revert to the use of coal. The cost of other supplies shows no reduction. Since the close of the financial year there has been a great improvement in the matter of exchange and the directors announce that a dividend of one per cent. will be paid for the quarter ending June 30, 1921. Warrants for this dividend will be issued on July 10, 1921.

Demerara Electric

The statement of another company, the Demerara Electric, which has had its head office in this city, is less encouraging. The statement shows net earnings for the year to have been $13,432.52 against $25,008.28 for 1919. The price of fuel and other supplies shows no sign of improvement. Some considerable expenditure will have to be made during the year to keep the plant of the company efficient. There has been a substantial improvement in exchange which will materially help the company but there is no word of a dividend. The surplus balance is set down at $148,351.87. The company has a capital stock of $425,000, five-year debentures $50,000, $500,000 first mortgage bonds at 5 per cent., and a replacement fund of $11,087.20. The gross receipts were $237,150.83, operating expenses $195,183.31 and bond interest $28,535.00.

STEAMERS EARNED 9 ON ITS COMMON STOCK

Decrease $550,000 Compared With 1919—Working Capital Down, Bank Loans Up

From Our Own Correspondent.

MONTREAL.—A preliminary statement of Canada Steamship Lines covering the year 1920 places the net earnings at approximately $4,028,000, as compared with $4,580,272 in 1919, and $4,338,079, a decline of $552,000 and $310,000 respectively for 1920 compared with the two previous years. This was due to the lower earnings on ocean business and overseas contracts during the latter part of the past year. Deductions for interest, depreciation, etc., called for almost $2,100,000, compared with $2,243,593 in 1919, leaving a balance available for preferred and common dividends of slightly over $1,900,000, as compared with $2,336,679 in 1919, and $2,333,740 the year before. After meeting preferred dividends at 7 per cent., amounting to $875,000, there will be shown a balance available for common stock of a little over $1,000,000, or slightly under 9 per cent on the common stock of $12,000,000, as compared with 12.2 per cent. in 1919, and 11.3 per cent. in 1918.

The balance sheet, as has been generally known, shows a diminution of working capital, which will stand at less than $500,000, as compared with $929,298 at the end of 1919, and $2,836,351 at December 31, 1918. This is due partly to the expenditures in acquiring the Montreal Transportation Company, at a cost of $3,000,000. On this account, there is owing still, it is understood, a balance of $1,350,000. The bank loans, it is stated, now run over $2,000,000, compared with $700,000 one year before. The detailed statement is expected to be available in a few days.

So far as the present season is concerned it is generally agreed that the ocean freight earnings will fall far below those of last year. Tourist traffic, so far, promises to exceed the record of last year, while upper lakes freight business is rather difficult to figure out just yet, both as to volume and profits.

NIPISSING DIVIDEND

A dividend of 3 per cent., payable April 30th, to shareholders of record of April 18th has been declared by the directors of the Nipissing Mines Company, Ltd. The financial statement of the operating company as at April 9th shows cash in bank, including Canadian bullion in transit, on value of ore and bullion in transit, on hand, and in process of mine and mill, and bullion ready for shipment,

CONDITIONS IN GERMANY

Great Activity in Practically All Factories at Wurttemburg

According to reports received by the British Department of Overseas Trade the economic situation in Wurttemburg at the present time shows a marked contrast to that which obtained three months ago, when many works had closed altogether or were on the point of closing, while others were only working two or three days a week.

There is now great activity in practically all the factories. The only works not working full time are small concerns whose products are ordinarily consumed locally. Every factory working on an article for export is on full time, and turning out large quantities of goods.

DETROIT DEFEATS SERVICE AT COST

Proposition of the Company Not Favored by the Ratepayers

Details of the vote on future operation of Detroit United Railway urban lines, appear distinctly unfavorable from the viewpoint of the traction company. Proposition put forth by the company which polled only 36 per cent. of the total vote cast was for the creation of a commission and arbitrators to decide on a valuation of city lines. The lines were then to be operated under municipal supervision on a service-at-cost plan which would regulate fares on net earnings. Company was to be guaranteed a 6 per cent. return on valuation set by the commission.

Proposition of the city which was carried by more than a 60 per cent. vote provides for the acquisition by the municipality of certain lines constructed by Detroit United Railway during the past five years, under supervision of the city officials. It was made contingent when the franchises were granted that the city would take them over from the company. Under the present vote, the city will now take over approximately 125 miles of track and operate a municipal lines in opposition to the Detroit United.

Detroit's traction problem is yet far from a solution. Greater part of the franchises under which Detroit United Railway operates have expired and the last of them run out in 1924. A renewal of these franchises has been sought for years, but without success. Interurban traction properties of Detroit United Railway are not affected.

STEAMSHIP LINE FOR SHAWINIGAN CO.

Will be Established to Connect Company's Products With Export Markets

From Our Own Correspondent.

MONTREAL.—Before leaving for Shawinigan Falls to inspect the construction on the new 40,000 horsepower development, J. E. Aldred, president of the Shawinigan Water and Power Co., announced that the company was arranging to establish a line of steamers to ply between Three Rivers and United States ports in order to bring into a closer relation the manufacturing end of this enterprise and its markets. In referring to this, Mr. Aldred said:

"The development, is a logical one and one which we have had in mind for some years past. With the phenomenal growth of the pulp and paper industry, the manufacture of chemicals and other products along the St. Maurice, the time seems favorable to the carrying out of our original plans, whereby the different industries will have direct connection by water with their markets across the border. The port of Three Rivers lends itself admirably to such a scheme, the harbor there possessing the essential natural facilities for handling the business emanating from the new paper mills there, together with that from up the St. Maurice.

"Steamers plying between Three Rivers and United States ports, such as Baltimore, for example, could carry the diversified products of the district, such as pulp, paper, chemicals and so forth, directly, or almost so, to their destination and return with cargoes of essential products, such as coal, sulphur and other raw materials, used in the manufacture of the Canadian commodities. Transportation costs constitute a vital element in the industrial field and we feel that these can be reduced to the advantage of the many industries which have been attracted to the province by reason of the splendid power facilities offered."

CUBA RAILROAD

According to Babson's Investment Bulletin earnings of the Cuba Railroad have ranged from 2 3-8 times bond charges in 1909 to 3 times in 1918, with the one exception of 1917, when interest was earned 1.69 times. Up to the sugar panic last fall earnings were continuing at the usual rate. The last three months of the year, however, showed a sharp decline. The company was unfortunate in having a maturity of notes fall on November 15, during the moratorium. The notes were purchased by the Cuba company and extended for two years. In January the preferred dividend was not declared. With the moratorium ended and a recovery in sugar trade there should be no question about earnings covering charges by an ample margin.

DECENTRALIZATION IN MANUFACTURE

British Manufacturers Considered Advisability of Establishing Branches Abroad

A discussion of direct interest to Canada and to Canadian industry has recently developed among British manufacturers — the advisability of establishing branch works abroad as the more effective means of handling the trade offering in distant parts. The London Statist, reviewing the situation, points out that in the main the British manufacturers incline to the belief that, except in certain lines, where competition is very keen, better results would be obtained by following the usual course of shipping manufactured articles from the United Kingdom. It is pointed out that the opposite view appears to be favored in America and on the continent. Illustrating the movement some particulars from the experiences of Ontario in this regard are cited.

The year 1919, it is pointed out, was notable for the number of inquiries made by United States companies with a view to the proposed establishment of branch factories. The industrial commission of an Ontario city in close proximity to the United States was in correspondence as to this matter in November, 1919, with over a hundred United States firms. In many cases a decision was made to erect such works, and construction was begun. The character of these enterprises varied from small assembling plants to large factories employing several thousand hands.

The report proceeds as follows:

In establishing industries in Canada the United States promoters explain their action by the fact that they are thereby placed in a position to handle the Canadian market at close range and to receive the benefits accruing from any special trade arrangements made for the units of the British Empire—such as, for example, the Imperial Preference arrangement. In addition, they are enabled to handle the export orders received by the parent company in the United States for shipment to the United Kingdom and other parts in the British Empire.

Data gathered in January, 1914, showed that there were 388 manufacturing works in Canada connected with similar concerns in the United States. The total investment was estimated at $264,939,592. In the case of seventy-six of the companies the actual paid-up capital has been obtained, being $51,895,350, an average of $682,834. The seventy-six for which the capitalisation has been obtained are fairly representative of the whole list, and this average has been used in estimating the total investment in all works. In 1914 the estimated number of plants was 450 and the total investment $135,000,000, an average of $300,000. A considerable number of branches then included constituted, however, mere distributing agencies. Some of the concerns previously included have since 1914 passed entirely into the hands of Canadians, and these have also been eliminated; while they, generally speaking, manufacture lines in Canada similar to those manufactured in the United States by the company or companies which originally establish them, they no longer represent the investment of any great amount of United States capital in Canada.

Obviously, before entertaining the idea of investing capital in an overseas factory, the project will need to be carefully examined, not only from the economic, but also the political, point of view. A close connection with a market unhindered by tariff walls or other considerations is very desirable, but this may be insufficient to offset the economies in manufacture resulting from large-scale production in the United Kingdom. Should wages here fail to be adjusted to the level of a lower cost of living, an additional inducement will be held out to seek the co-operation of outside labour in catering for the needs of an outside market.

Spanish Bank of Cuba to be reorganized with $40,000,000 capital, following difficulties encountered through recent fall in price of sugar collateral held on loans.

MINING STOCK QUOTATIONS

Week ending April 12.

	High	Low	Close	Sales
Adanac	1⅛	..	..	4500
Apex	1½	..	..	1000
Atlas	12	8½	11	9000
Bailey	3	..	..	1000
Beaver	35¼	35	35	3000
Boston Creek	10	..	..	100
Cham. Ferld.	7	..	..	500
Cons. Smelt.	15¾	15	15¼	1920
Crown Res..	16	..	..	200
Dome Exten.	62	..	..	50
Dome Lake.	3¼	3	3	2000
Dome Mines	20.50	18.50	20.00	2825
Gifford	1	..	..	2000
Gold Reef ..	4	3¼	3½	14200
Great North.	1⅞	..	..	1000
Hargraves .	1¼	..	..	3000
Hollinger .	6.98	6.90	6.94	5000
Hunton	9¾	..	..	1000
Keora	16½	12¾	15	69500
Kirk. Lake .	49½	48¾	49	7000
La Rose ...	23	22	22	1250
Lake Shore.	1.16	1.10	1.10	5300
McKin. Dar.	17	..	..	1500
McIntyre ..	1.97	1.91	1.91	9200
Mining Corp.	1.10	..	..	500
Newray	6½	..	..	1000
Nipissing ..	8.00	7.65	7.75	2230
Peter. Lake .	8	6½	6¾	4000
Porc. Crown	21	20½	21	3200
Schumacher.	24	21	23	3000
Teck Hughes	12	11	12	8500
Timiskaming	24½	23½	23½	9000
Thom. Krist	6½	..	..	500
Trethewey .	13	13	13½	10000
V. N. T. ..	20	18¾	18¾	29500
West Dome .	7	6¾	6⅞	13000
West Tree .	4⅞	..	..	1000
Skead	53	52	52½	5000
Lebel Oro ..	36	32¼	35	6000

Timber Block in British Columbia

FOR SALE

To close out an estate there is offered for immediate sale block of standing timber covering an area of some 25 square miles. Contains spruce, fir, tamarack and pine. Situated about 10 miles from railway station. Block has been carefully cruised. Reports, maps and full particulars on application to

National Trust Company, Limited
22 King Street East, Toronto, Canada

Satisfactory Service Guaranteed
Prudential Trust Company, Limited
Dominion Charter authorizes the Company to act in the following capacities:
RELATIVE TO ESTATES—Administrator, Executor, Guardian, Management of Properties, Collection of Rents, Real Estate Bought, Sold, and Exchanged.
FINANCIAL AGENTS—Investments Made—Securities Held.
INSURANCE BROKERS—All lines—Fire, Marine, Accident, Liability, etc., placed in best Companies at lowest rates.
FIDUCIARY—Trustees for Bondholders, Transfer Agents, and Registrars for Stocks and Companies.
The business generally which a Trust Company may undertake alone, or jointly with one or more.
Consultation invited by letter or in person.
B. HAL BROWN, President. J. P. STEEDMAN, Vice-President.
Head Office: MONTREAL
Branches throughout Canada and in London, Eng.

YOUR WIFE
Has probably not had the Business Experience necessary to handle the intricate problems which will arise in the settling of your estate and it is unfair to impose such duties on a friend or relative in these days of high business pressure.
The logical Executor, therefore, is a conservative Trust Company—which will act alone or in conjunction with your wife, other relative, or friend.
We invite correspondence and personal interviews on this important matter.
THE BANKERS' TRUST COMPANY
Head Offices: MONTREAL
Authorized Capital: $1,000,000
NINE BRANCHES THROUGHOUT CANADA
Premises in the Merchants Bank Building in each City
30

P. Lyall & Sons Construction Company, Limited
Toronto - Montreal - Ottawa

WANTED---Manager for Bond Department
A well established financial institution requires the services of an executive to organize and take charge of a Bond Department. Must have thorough knowledge of the financial business and must also put up two thousand dollars ($2,000) which will obtain for him an interest in the firm. Good proposition will be given to the right man. Apply with full particulars in first instance to P.O. Box No. 65, Ottawa.

L. R. STEEL SERVICE CORPORATION LIMITED
OF CANADA
Investment Securities
Branch Offices:
MANITOBA: Winnipeg, Brandon; ONTARIO: Port Arthur, Sault Ste. Marie, Sudbury, Haileybury, Oshawa, Hamilton, Kitchener, London, Brantford, Chatham, Stratford, St. Catharines, Windsor, Peterboro, Ottawa, West Toronto; QUEBEC: Montreal, Quebec, Sherbrooke, Three Rivers, St. Hyacinthe, Westmount; NOVA SCOTIA: Amherst, Halifax, Sydney, New Glasgow; NEW BRUNSWICK: St. John, Fredericton, Moncton; PRINCE EDWARD ISLAND: Charlottetown.
Executive Offices: Lincoln Bldg., Buffalo, N.Y.
Canadian Executive Offices: Royal Bank Bldg., Toronto, Canada

The Building Industry

being of vital importance to every section of the Dominion—handicapped by money, labor and market conditions—demands more than mere passing interest on the part of the substantial elements of the Community.

The demands of the modern building industry require modern financial accommodation and arrangements.

All the energies of this organization are devoted to supplying the capital of corporations, the resources of which become available for building loans and construction purposes.

Through this work we mean to afford some measure of relief of the housing problem confronting most municipalities, and are striving to render a distinctive service.

Banking Service Corporation Limited

TORONTO OFFICE:
UNION BANK BLDG. - ADELAIDE 6896

MONTREAL LONDON HAMILTON KITCHENER
BRANTFORD SARNIA WINDSOR

Fiscal Agents for
MUTUAL FINANCE CORPORATION LIMITED
TORONTO FINANCE CORPORATION LIMITED

Selling Steam Turbines to Housewives

Would a salesman selling Steam Turbines make a house-to-house canvass to create sales? No. He would go direct to the power plant owner, power superintendent and consulting engineer.

The best advertising is that which follows most closely the best salesmanship.

Technical newspaper advertising follows precisely the method of the competent salesman. An advertising message placed in technical newspapers goes direct to the man who buys, and reaches him when he is in a buying mood.

Technical newspapers offer to the manufacturer of mechanical products the most efficient mediums for reaching his prospects.

MacLean's Technical Newspapers are exclusive in their fields.

Canadian Machinery
Power House
Canadian Foundryman
Marine Engineering

All are members of the Audit Bureau of Circulations and members of the Canadian National Newspapers and Periodicals Association with their well-known high standard of practice.

The MacLean Publishing Co., Ltd.
153 University Avenue, Toronto, Canada
Eight Branch Offices

Industrial Financial Corporation

Of Canada, Limited
Suite 303-304 Webster Bldg.
53 Yonge Street, Toronto, Canada

Companies Organized for Development of Canadian Industry

Industrial, Mines, Public Utilities Stocks and Bonds bought and sold.

No proposal too small for courteous and prompt attention. None too large for our facilities.

Your business respectfully solicited

MONEY BANKING AND EXCHANGE

BANK PIONEERS OF OLD DAYS IN WESTERN CANADA

Move Into Oil Fields Recalls Other Stages of Development

SOME EXPERIENCES

Early Mining Days in British Columbia—Banks in Barber Shops and Pool Rooms

Bank pioneering of tomorrow in Canada cannot, with few exceptions, be as thrilling or as trying as it has been in the past for the reason that the Dominion may now be considered fully equipped with means of ready transportation. Lack of speedy transportation was frequently the chief difficulty before the banker of Canada's earlier days. The average branch manager who now occupies a comfortable berth in a Western town cannot fully appreciate the difficulties the original manager encountered when the branch was first established.

Branch bank managers who first crossed the trail into the Peace River settlements are known to have slept for six months under the jack pines, because there was no other accommodation at the time. For instance, at Grande Prairie the only accommodation available for the carrying on of banking business for a time was in a corner of the log cabin that was used by the Federal Government for a post office. The original manager at this post tells that when the mail arrived "the bank" moved out. For six months or more "the bank" was a small leather trunk, standing in one corner of the log cabin.

Old Days at Rossland

British Columbia, in the early days, presented innumerable difficulties to the banking pioneer. H. H. Rowley, manager of the Union Bank of Canada at Victoria, B.C., has had twenty-five years' banking experience in this province. He recounts experiences of when new districts were opened up by Canadian bankers. The mining excitement in March, 1896, in the Kootenays attracted the banks. Secrecy was the word of all the banks, each trying to get in ahead of the other.

"When the B.N.A. staff went to Rossland," says Mr. Rowley, "some went via Seattle, and two went up the C.P.R. to Revelstoke and down the Arrow Lakes by boat. The accountant who took the stationery with him travelled in the guise of a doctor and had everything addressed to him in that way.

"There was a mad rush for the Upper country to get into the towns and open branches and it was no uncommon sight to see the bank doing business in a billiard hall from 10 o'clock and then moving out and the billiard parlors continue for the rest of the day. In opening in Rossland the B.N.A. used a barber shop from 10 a.m. to 3 p.m.

Money in Saddlebags

Mr. Rowley maintains that for the most part banking was carried on in these new regions with little hazard to moneys. Once a week the staff from Rossland used to go down the hill to Trail, coming back at night on horseback, sometimes bringing $15,000 and $20,000 in cash in the saddlebags; nothing was thought of this at the time, as hold-ups were unknown in that district. It was the only means of getting the money back, owing to the express office and post office being closed, as the bank kept open until 9 p.m.

However, when the Bank of British North America opened in Ashcroft, B.C., it was a wild sort of town and on Saturdays and stage days all the ranchers in the neighborhood came to town for their mail and a drink or two. One night there was not much mail, but a good deal of drink and things were lively. The ranchers were on horseback, even riding into the bars for their drinks—just as the movies picture them to city folk today—firearms were being discharged rather freely. The teller of the B.N.A. thought a hold-up was taking place. The bank safe had not yet arrived, so that the cash was in his personal care every night. He hurried to his bedroom and got under the bed with his cash box and stayed there until found by the manager two hours afterwards.

Banking in a Tent

Northern British Columbia presented rugged difficulties to the first bankers. Bankers went into that country to give the railroad contractors on the Grand Trunk Pacific banking accommodation. Many improvised offices were occupied by the original bankers. The Union Bank commenced business in the town of Smithers, B.C., in a small tent. The townsite of Smithers was partly swamp land and was not properly drained at this time and the roads were in a terrible condition. When the bank safe was being hauled on planks the chain broke, as did also the planks, with the result that the safe almost completely disappeared in the mud.

Probably the most virile chapter in Canadian bank pioneering when the full history comes to be written will be that dealing with the terrors of the Klondyke trail. In the autumn of 1896 word came of the big strike in the Yukon and preparations were made during that winter for some of the banks to go in there. Mr. Rowley says in this connection: "In March, 1897, the Bank of British North America had decided to open in Dawson and I was chosen with four others to go in over the ice and open the branch, but when the time came for the party to leave the bank, decided that, as I was a married man, it would not be advisable to send me in. The British contingent got away from Vancouver about the last of March and landed in Dawson City on the 18th of May and opened for business two days after that. The Bank of Commerce got there a few days afterwards. These were the only two banks that went into the Yukon proper."

EXCHANGE MARKETS

Widest Range of Fluctuation in New York Funds.

The British strike situation has apparently had but a nominal influence upon the exchange markets, the movements for the week being within comparatively narrow proportions. Opening strong at $3.91⅛, sterling weakened on April 8 to $3.87⅞. The recovery was rapid, however, and after moving up to a high for the week at $3.91, settled down to $3.89½ at the close. Francs held fairly steady after weakening from 13.97 to 14.10 at the outset. There was more than the customary range of fluctuation in New York funds, the quotation moving from 11⅞ at the outset to a high of 13¼ and 13 at the close.

The following are the fluctuations for the week:

New York Funds

April 7.—New York funds opened at 11⅞ and sales were made at 11⅞, 12, and 11 31-32.

April 8.—Funds firm at the opening, being bid up to 12 1-16 before a sale took place. Further sales at 12⅛, 12⅝ and 12 7-16.

April 9.—Opened at 12 7-16, moving to 12⅜ at close.

April 11—Offered down to 12⅛ before first sale was made, advanced to 12 5-16, 12 9-32, and 12 5-16.

April 12—Sales at 12⅜, 12½, 12 9-16, 12 11-16, 12¾, 12 11-16 and 12¾ at close.

April 13. — Funds again firm, sales being made at 13¼, 12⅞ and 13 at close.

Sterling and Francs

	Sterling Demand	Sterling Cable	Francs Demand	Francs Cable
April 7	$3.91⅛	$3.91⅞	13.97	13.95
April 8	3.87⅞	3.88⅝	14.10	14.08
April 9	3.90¼	3.91	14.19	14.17
April 11	3.91¾	3.92½	14.02	14.00
April 12	3.91⅝	3.92⅜	14.03	14.01
April 13	3.89½	3.90¼	14.12	14.10

COMMERCE

D. Lauder, of the Cranbrook, B.C., branch of the Canadian Bank of Commerce, has been transferred to the Creston branch.

A bronze tablet has been unveiled at the Waterloo branch of the Canadian Bank of Commerce in memory of three members of the staff who did their full part in the great war. They were: Lt. H. T. Hazelton, Sergt. C. R. Kranz and Sapper W. R. Girelamm.

MERCHANTS

At a meeting of the board of directors of the Merchants Bank three vacancies on the board were filled by the appointment of John Baillie, Norman J. Dawes and Ross H. McMaster. John Baillie is managing director of the Dominion Oilcloth Company, president of the Canada Linseed Oil Mills, and a director of the Dominion Textile Company and Penmans. Ross H. McMaster is vice-president and Montreal manager of the Steel Company of Canada; Norman J. Dawes is president of National Breweries, and a director of the Windsor Hotel Company, Dominion Bridge, Wayagamack Pulp and Paper and others.

Weekly Bank Clearings

(In comparison with same week last year)

(Eastern Cities)

	Apr. 7, 1921.	Change	%
Toronto ...	$101,390,103 +	$ 5,926,870	6.2
Montreal ...	129,336,566 +	20,618,151	18.9
Ottawa ...	10,862,476 +	296,850	2.8
Hamilton ...	6,789,693 —	582,978	7.9
Quebec ...	6,819,552 +	660,964	10.7
London ...	4,761,993 +	947,485	24.8
Halifax ...	4,035,627 —	130,931	3.1
St. John ...	3,819,133 —	86,003	2.9
Windsor ...	3,075,674 +	702,164	29.5
Brantford ...	1,444,720 —	1,275,470	46.8
Kitchener ...	1,119,658 —	171,326	13.2
Peterboro' ...	1,201,951 +	279,787	30.3
Total ...	$273,657,146 +	$27,185,563	11.0
Moncton ...	1,460,857		

(Western Cities)

	Apr. 7, 1921.	Change	%
Edmonton ...	$ 6,394,925 +	$ 485,348	9.8
Calgary ...	7,616,531 +	477,627	6.6
Saskatoon ...	2,082,000 +	208,344	11.1
Prince Albert ...	468,252 +	55,961	13.5

ADVANCES MADE TO BRITAIN AND ALLIES

Some Interesting Details of Financing During The War And Since

From Our Own Correspondent.

OTTAWA. — Some interesting information has been produced before parliament with regard to the credits advanced to Great Britain and the Allies. The total advances to Great Britain up to October 31, 1918, was $949,638,368. This was exclusive of certain outstanding accounts, which were unadjusted but charged up, such as rail shipments and incidental costs, the requisition of ships of Canadian register, adjustments as to the rate of exchange, and so forth. Repayments, contra-borrowings from the Imperial Government, refunds and so forth reduced this indebtedness to $295,105,916.

The above advances were divided as follows: agricultural products, $190,635,073; and other purposes, $759,003,294, including advances to the Imperial Munitions Board, interest account, purchases of fish, requisitioning of ships, shipbuilding, rail account and so forth.

The total advances to Great Britain from the conclusion of the war to the end of February, 1921, were $343,848,623, exclusive of outstanding items unadjusted. Repayments, contra-borrowings from the Imperial Government and refunds reduced the above amount to $151,252,146. The total advances to the Allies during the above period were $41,325,139. Of the above amounts the totals used respectively for agricultural products and other goods were as follows:

Great Britain: Agricultural products, $197,862,655; other products, $145,985,968.

Allies: Agricultural products, $15,307,411; other products, $26,017,727.

UNION

W. C. Young, for twenty-six years a resident of Brampton, during which most of the time he was associated with the Merchants Bank and later with the Union Bank, has resigned as manager of the latter. Mr. Young was for sixteen years secretary of the board of trade.

Alterations costing $15,000 will be made immediately to the brick block at the north-east corner of Ellice avenue and Sherbrook street, Winnipeg, for the Union Bank of Canada. The premises will be used as a permanent branch of the bank.

G. M. Upham, former eastern inspector, has been appointed manager at Brampton, Ont., succeeding W. C. Young who has retired on pension.

A. B. Dargavel has been appointed manager at Ogema, Sask.

C. V. Henderson, formerly at Asquith, Sask., has been made manager at Neudorf, Sask.

A. E. Ivey, formerly at Melita, Man., has been appointed manager at Canora, Sask.

E. H. Floyd, former audit officer for Manitoba, has been appointed acting manager at Melita, Man.

G. B. McCormick, formerly at Birch Hills, Sask., has been appointed manager at Asquith, Sask.

A. P. Nasmith, formerly assistant manager of the main office, Winnipeg, has been appointed manager at Medicine Hat, Alta. A. A. Walcot has been appointed to the vacancy in the main office, Winnipeg.

A. J. Wilson has been appointed manager at Main and Mountain Branch, Winnipeg.

The branch at Carmel, Sask., has been closed.

The branch at Birch Hills, Sask., has been closed.

The branch at Winnifred, Alta., will be closed April 30.

CANADIAN STOCKS STILL PURSUE AN IRREGULAR TREND

Continued from page 1.

upon which not only steel prices but the prices of commodities closely allied can be established, thereby preparing the way for a greater stability generally.

Indications are not wanting that there has been a steady absorption of late of the more favored investment offerings, and this in itself indicates a healthy underlying condition from the market standpoint. With annual statements, however, showing materially reduced profits for 1920 over the preceding year, mainly as a result of the unfavorable turn of business in the later months, and with little change for the better yet materializing, the time is hardly ripe for an advance on a broad scale, and in the face of the long period of depression passed through, it will require a constructive force of very considerable proportions to start the markets on a boom that shall rival in magnitude the developments of the previous year.

The tractions, which were a conspicuous group a week ago, have succumbed to the unfavorable forces about them, to the extent at least of moving down within a narrow range from the high points reached during the bull drive of last week. There is no doubt, however, that these securities contain many qualities which render them attractive from an investment or speculative standpoint.

EVERYMAN'S LEGAL GUIDE
By
EDWARD MEEK, K.C.
Legal Editor (for 30 years) of the Mail and Empire

A Synopsis of the Laws of Canada for the use of Merchants, Bankers, Business Men and the Public generally.

364 Pages Neatly bound $3.00

The Carswell Company, Limited
145-149 Adelaide Street West
Toronto - - Canada

THE NATIONAL CITY COMPANY — NATIONAL CITY BANK BUILDING — NEW YORK

100% Safety

What is the chief reason for the widespread popularity of Government and Municipal bonds, and preferred stocks? It is because the careful investor would rather have a reasonable rate of interest, plus 100% safety, stability and satisfaction than to obtain a higher yield at the cost of anxiety, trouble and the possibility of loss.

Whether you have a large or small amount to invest, you will find it to your distinct advantage to study our carefully selected list. We shall be pleased to provide you full information regarding any particular issue in which you may be interested.

The National City Company
Limited
Canadian Head Office:
74 Notre Dame Street West, Montreal.
10 King St. East, Toronto, Ont. McCurdy Building, Halifax, N.S.

Headquarters for Investors

McCUAIG BROS. & CO.

Members of the Montreal Stock Exchange

Clarence J. McCuaig D. Rykert McCuaig
G. Eric McCuaig Clarence N. McCuaig
W. P. Hickey

A General Stock Exchange Business Transacted.

NOTRE DAME
at St. Francois Xavier Street
MONTREAL

Notice of Application to Parliament

NOTICE IS HEREBY GIVEN that an application will be made to the Legislative Assembly of the Province of Ontario at the present session thereof by The Goodyear Tire and Rubber Company of Canada, Limited, for an Act ratifying and confirming a Scheme of Arrangement between the said Company and its Creditors whereby approximately $3,000,000 owed to the Goodyear Tire and Rubber Company of Akron, Ohio, will be paid by the issue of six per cent. cumulative prior preference stock at par, the holders of $1,219,920.46 of the notes of the Company will be paid by giving three year eight per cent. notes with the privilege to the Company of two yearly renewals on the payment with each renewal of twenty-five per cent., and whereby Rubber Commitment Creditors will be paid twenty per cent. in cash on deliveries and the balance in ninety day notes with interest at seven per cent. with the privilege to the Company of securing three ninety day renewals upon payment of twenty-five per cent. of the balance owing at the time of each renewal; and Fabric Commitment Creditors agree not to require the Company to take deliveries more rapidly than it requires for production and to accept payment against deliveries twenty-five per cent. in prior preference stock or preferred stock at par and seventy-five per cent. in cash; and whereby the par value of the common stock is decreased from $100.00 to $10.00 a share; said plan to be declared effective when it has been approved and consented to by seventy-five per cent. in amount of each of the above classes of Creditors, the Goodyear Tire and Rubber Company of Akron, and by sixty per cent. in amount of the preferred stock and common stock of the Company now outstanding.

ROWELL, REID, WOOD,
WRIGHT & McMILLAN,
Solicitors for the Applicant.

DATED at Toronto this 11th day of April, A.D. 1921.

School Debentures

Guaranteed by Province of Ontario

Offers will be received by the undersigned for $75,000 of 6 per cent. school debentures of the Town of Sturgeon Falls, Ontario, repayable in 30 equal annual instalments.

The debentures are guaranteed by the Province of Ontario.

Z. MAGEAU, M.P.P., Mayor,
Sturgeon Falls, Ontario,

or in care of the Ontario Legislative Assembly, Queen's Park, Toronto, during the remainder of the session.

NEWS AND VIEWS FOR MANAGERS

CONTRACT SHOULD BE UNDERSTOOD BY ALL PARTIES

This Particularly Applies to Deals in Live Stock

USING THE PHONE

Much Business is Transacted in This Way by Bank Managers But Just What is Contract?

In the following article A. B. Barker, manager of the Toronto Clearing House, who is writing some very interesting articles on practical banking matters for readers of this page, deals with the important question of a clear understanding of the contract upon which a business transaction is based; proper legal safeguards, in his experience, are better than taking chances.—J. W. T.

In practically all disputes in business deals of any kind, banking or other, the chief source of trouble is lack of clearness in the contract, whether verbal, written or implied.

In the horse and cattle business, dealers finance buyers who go through the country collecting animals and shipping them to the dealers at the central markets. These buyers are not agents in the ordinary sense as they operate on their capital, though this may be slender. The turnover is quick, however, and the dealer will usually arrange to honor a draft for a car of horses or cattle. Sometimes the buyer will want to issue his cheque, the dealer agreeing with his banker to deposit to the buyer's credit the value of the carload.

The buyer negotiates the cheque with the local banker, asking him to phone to see whether the cheque will be honored. The bank phoned gets in touch with the dealer, and is advised that he is buying a carload of horses, and that his cheque will be forthcoming when the car arrives. This is phoned out to the local bank, and the buyer's cheque paid. Much of the business is done in this way, and there is seldom any trouble, but just what is the contract? What responsibility attaches to the various parties?

Custom Makes the Law

Custom in the end makes law. Until it becomes crystallized into a statute, however, it is vague and in a court of law is capable of various interpretations. In the Western cattle country the transactions are usually verbal, but there is a distinct code which must be observed. It might not hold in strict law, but no agent who evaded it could do business again in that section, and the rancher who broke his verbal agreement would find it hard to dispose of his cattle next time. Some theorists believe in the abolition of all laws for the collection of debts, holding that commercial morality is on a higher plane in proportion to the difficulty of enforcing legal contracts. This would only be possible through the force of public opinion and before this force can act it must have an established standard of procedure to judge by and sufficient information to establish the bona fides of the parties.

The recent epidemic of "Cancellitis" showed that there were too many in business who had the idea, believed to be prevalent in an eastern country, that a contract should hold only so long as it promised to be profitable, and under such conditions the general public is safer with the proper legal safeguards.

FOREIGN TRADE BANK

Project Not Making Headway in United States

Statement by those identified with its organization that the time when the Foreign Trade Financing Corporation will open its doors for business is to be left in the hands of a committee and that suggestions had been made that credits should not be extended until the machinery of the League of Nations is perfected, is interpreted in New York banking circles to mean that all thought of transacting any business in the near future has been abandoned. This leads many bankers to predict that the organization will not function at all.

It has been known for some time that response to the invitation to subscribe to the stock was very disappointing to the organizers. The practical failure of the organization is said to be due to numerous causes. Quite a number of New York bankers received the invitation to subscribe apathetically.

DEFLATION—A WORLD PROBLEM.

Before the end of the year THE FINANCIAL POST sent out a questionnaire on retail trade conditions. Over eight hundred bank managers replied. That interest in the matter was not confined to Canada, however, has been indicated by responses from Newfoundland, and this week a reply was received from the manager of the Royal Bank at Montevideo, Uruguay.

At Montevideo, this manager reports, retailers are reducing prices as far as conditions warrant and stocks although still fairly heavy are being reduced by special bargain sales; merchants are reducing current liabilities and no important failures are looked for.

Conditions in Uruguay have little application to business in Canada but the fact that adjustments are being made there much the same as in this country indicates the world-wide proportions of the process of deflation.

STOPPING PAYMENT ACCEPTED CHEQUE

Customer Should Proceed Against Payee for Return of Document

The question is frequently asked whether a customer can stop payment of a cheque which has been accepted by the bank upon which it is drawn. One Manual of Mercantile Law in endeavoring to answer this gives two hypotheses, one as to whether the cheque has been marked at the request of the maker and not delivered to the payee or whether it has been accepted by the bank at the request of the holder. In practice, however, only the second would be considered. If the accepted cheque were still in the possession of the maker, not having been delivered to the payee, the question of cancellation would not come up as the matter would be settled by the maker depositing the cheque to his credit. The manual referred to is not very clear as to the rights of the parties concerned under the other circumstances mentioned.

Some years ago the matter was submitted to the legal officers of the Canadian Bankers Association and their opinion was as follows:

"A customer cannot stop payment of a marked cheque which has reached the hands of the payee without the payee's consent. If the customer chooses he can bring proceedings against the payee for the return of the cheque and can obtain, if the court will grant it, an injunction preventing their dealing with it and preventing the bank from paying it but short of restraint by the court we do not see upon what ground the bank could refuse to pay the cheque."

This puts the responsibility in the proper quarter, as when the cheque has been charged to the customer's account and accepted by the bank it becomes a direct obligation of the bank.

FORGED TO GET PAY GREAT WEST BANK

Potts Was Promised $300 A Month, Which Was Not Forthcoming

From Our Own Correspondent.

REGINA.—The crime for which R. J. Potts, who had been working in connection with the organization of the Great West Bank, was sentenced to nine months in jail was the forgery of a cheque for $125, the name of the late W. R. Phillips, one of the promoters of the projected bank, being used.

Before sentence was passed, Potts declared that he came to this country in April a year ago to work for the Great West Bank at a salary of $300 a month, but all that he had received for his services was a total of $375. They kept putting him off from time to time, he explained, and finally refused to pay. He expects to take action later to get the money which he claims is due him.

MERCHANTS AT LONDON

Premises of the Advertiser Secured for New Site

From Our Own Correspondent.

LONDON.—One of the most important business deals here in many years took place this week when the Merchants Bank purchased the premises on Dundas Street now occupied by the London Advertiser office. The newspaper has sixty days in which to vacate and has secured the old Struthers Building at the corner of York and Richmond Streets. In securing the Advertiser building the Merchants Bank has secured the best business site in the city, right in the heart of the down-town district. The Merchants Bank was previously located at the corner of Queen's Avenue and Richmond Street, part of the site chosen for the new million-dollar hotel.

ATTITUDE TOWARDS GREAT WEST BANK

Farmers' Organ in Western Canada Gives Advice to Investors

That the proposition of the Great West Bank promoters is not being received with unanimous enthusiasm in Western Canada by the investing public, including the farmers, at whom the stock-selling campaign has been chiefly aimed, is indicated by the attitude of the Grain Growers' Guide. The organ of the big business organization of the farmers in the West advises caution in the following comment:

With only 18 chartered banks now serving the people of Canada there is no doubt plenty of room for another bank, but it must not be supposed that the road to success in banking is a smooth and easy one. Skilful and expert management is required, the confidence of all classes of the public is necessary to secure a large volume of deposits, and some time must necessarily elapse before an efficient organization can be built up throughout the country and a new bank placed on a profitable basis.

From the point of view of the investor, therefore, the proposition which the new bank offers to the public needs very careful consideration. Those who invested years ago in what are the leading banks of to-day have reaped large profits both in dividends and in the increase in the value of their shares, but there have also been a large number of banks which have either had to go into liquidation or have been absorbed by their stronger rivals. It may pay those who are contemplating an investment in the Great West Bank to do a little figuring in the way of a comparison with the purchase of the stock of one of the old-established banks. The stock of the new bank is being offered at $125 per share of $100 par value, with an allowance of $5 a share brokerage up to March 18, making the actual cost $120. The cost of promotion is given as $7.50 a share, leaving $100 of capital and $12.50 reserve for the treasury of the bank when it is ready to commence business. Take the Union Bank for purposes of comparison. The paid-up capital of the Union Bank is $8,000,000 and the reserve fund $6,000,000, in addition to nearly $150,000 carried forward to profit and loss account at the close of the last financial year. This means that every $100 share of the Union Bank is represented by over $176 of assets belonging to the shareholders. The Union Bank last year paid a dividend, including bonus, of $12 per share, and its stock is selling at the present time on the stock exchanges at approximately $158. Some of the other old-established banks show similar results on analysis of their balance sheets, and on the face of it these would seem to offer opportunities for the investor that a new bank will find it hard to equal.

The Guide also emphasizes the double liability feature of bank stocks.

Western branch managers will no doubt find it effective to quote the Guide when asked for an opinion by investors or in discussing the proposal with their customers.—J.W.T.

NINETEEN BRANCHES OPENED IN MARCH

Seven Branches Closed—Net Gain For The Month Twelve

Returns from the various Canadian chartered banks show that during the month of March there were nineteen new branches opened and for the same period seven branches were closed, which leaves a net gain of twelve new branches. The Bank of Hochelaga was the most active, opening seven branches, four of which are situated in the province of Quebec. The Nationale and Royal opened three each; Commerce and Nova Scotia two each, and the Imperial and Standard one each.

The Union Bank closed three branches, Sterling two, Royal and Toronto one each. Following is a list of the branches opened and closed:

Opened.

Commerce—Arlington and Notre Dame, Winnipeg; Port of Spain, Trinidad, B. W. I.

Hochelaga—Gogama, Ont., (sub-agency); Mont La Salle, P.Q.; Asbestos, P.Q., (sub-agency); St.-Roch-sur-Richelieu, P.Q., (sub-agency); Mansonville, P. Q., (sub-agency); Dufrost, Man., (sub-agency); Giroux, Man., (sub-agency).

Imperial — Porquis Junction, (sub-branch to Matheson).

Nationale—North Stanbridge, Que., (sub-agency); Val-Jalbert, Que., (sub-agency); Lac-Bouchette Station, Que., (sub-agency).

Nova Scotia—New Liskeard, Ont.; St. Andrews East, Que.

Royal—Long Branch, Ont.; Oakville, Ont.; Sundridge, Ont.

Standard—Oshawa South, Ont.

Closed.

Sterling—Madawaska, Ont., Phelpston,

Royal—Swan River, Alta.

Toronto—Queensville, Ont.

Union—Pinkham, Sask.; Lowe Farm, Man.; Ducks, B. C.

The new branches opened for the first three months of the year amounted to fifty-eight and the branches closed twenty-five.

PRICE STANDARD ESTABLISHED BY STEEL DECISION

Continued from page 1.

ing decline. This can be accounted for in part by the high price of labor, which enters into the finished product, and which, except in rare cases, is still prevailing at or near the peak levels.

A boom in construction usually accompanies a revival in business. Some encouragement may be derived from this source by the fact that returns indicate that building, after a somewhat sluggish beginning, is now opening up on a fairly large scale in some parts of the country. The essentials for a building campaign of broad proportions are cheap steel, bricks, lumber, lower wages and easy money conditions. There has, as pointed out above, been some adjustment already, but labor, which is holding out for higher wages, will ultimately have to give way as the cost of living subsides.

Farmers Are Buying

While the farmers of this country have without doubt suffered heavily through the unfavorable turn of prices for agricultural products, the reverses have apparently not dented their enthusiasm or their optimism for the future. The farmers are reported to be buying on as large a scale as heretofore, and many high-priced articles, and even non-essentials, such as automobiles and motor tractors, are included in the category of purchases. Preparations for spring crops are now being made on an even greater scale than a year ago, and a favorable feature is the fact that the supply of labor is fairly free.

The fact that the farmer has continued to spend freely has been responsible in large measure for the fair volume of business in the smaller centres. Reports indicate, however, that those industries engaged in the manufacture of textiles are suffering to a greater degree than perhaps almost any other. The past winter has been exceptionally mild and the demand for many lines has been reduced in consequence, and merchants have entered upon the spring season with shelves only partially depleted. A boot and shoe factory in the east opened up two or three weeks ago, with very little business in sight. Orders have, however, since come in with a rush, and have accumulated to such an extent that the factory is now running overtime. Instances of this nature are unfortunately rare.

Retail grocers report a fair volume of turnover, with the margin of profits, however, reduced from earlier months. Staple foodstuffs are moving freely, and in a number of instances manufacturers engaged in the production of seasonable goods are rushed with orders. This form of business is not, however, stable, and will lapse when the season now being prepared for is over.

DOMINION

The Dominion Bank announces the opening of a branch at Long Branch, Ont.

A branch of the Dominion Bank hss been opened at Rosseau, Ont., under the management of P. C. Marsh.

High-Class
RESIDENCES
FOR SALE
Three in St. Catharines and two at Niagara-on-the-Lake. Address Frank Blaikie, St. Catharines.

NEW MERCHANTS DIRECTORS

At a meeting of directors of the Merchants Bank held 8th inst., three new directors were elected: John Baillie, Norman J. Dawes and Ross H. McMaster, all of Montreal—the board of the bank thus being brought back to full strength.

The News
—FROM—
Fort Norman

Thousands of dollars' worth of oil drilling machinery and material being rushed to this area.

Large parties of experienced oil men from the Southern Fields arriving almost daily.

Efforts to open up lines of communication and travel being rushed forward.

Everybody predicts a stupendous oil boom within a few months.

The way to profit by the coming oil boom is to invest in Fort Norman before it starts and the price of shares is low.

Conplete information and maps can be obtained by writing to
Anglo Canadian Financial Corporation, Limited
C.P.R. BLDG. - TORONTO
Adelaide 4038

Epworth Savings Bank, Epworth, Iowa, saved by Anakin Burglar Proof Lock.—March 10, 1921.

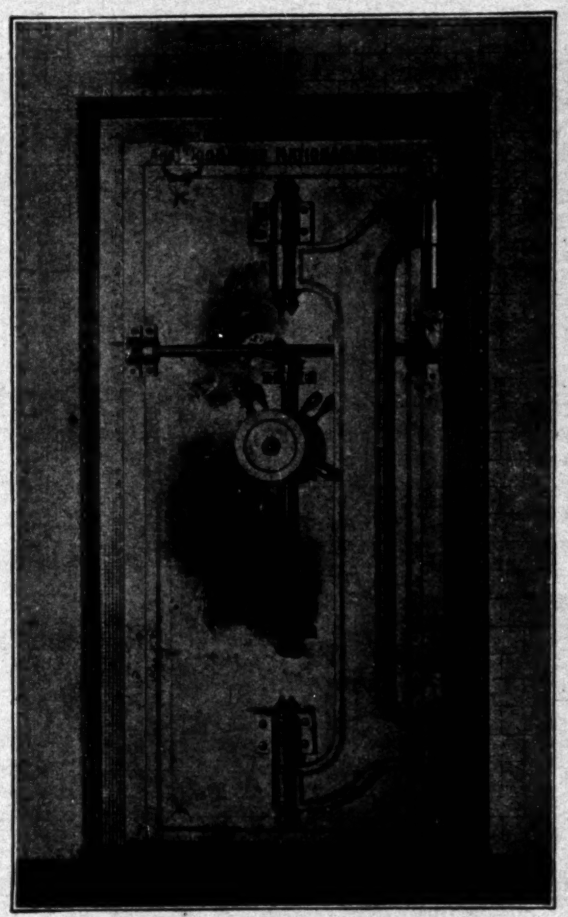
This is the Latest Addition to the
Wholesale Prevention of Bank Burglaries
Canadian Banks are Now Installing this Safeguard
Realizing That There is Only One
Genuine Anakin Burglar Proof Lock
It Reduces Insurance, Gives Proven Protection

PROOF BURGLARIES Prevented by Anakin Locks

Bank of Lanyon, Lanyon, Iowa, Sept. 29, 1919.
First National Bank, Wyanet, Ill., Oct. 30, 1919.
Farmers & Merchants State Bank, Leland, Ill., Nov. 17, 1919.
Franklin Grove Bank, Franklin Grove, Ill., Nov. 25, 1919.
McClure & Jacobs Bank, Arrowsmith, Ill., Nov. 28, 1919.
Arrowsmith Bank, Arrowsmith, Ill., Nov. 28, 1919.
Buffalo Bank, Buffalo, Ill., Dec. 17, 1919.
Smithland Bank, Smithland, Iowa, Feb. 17, 1920.
Mahomet Bank, Mahomet, Ill., March 17, 1920.
First National Bank, Woodhull, Ill., April 13, 1920.
Woodhull State Bank, Woodhull, Ill., April 13, 1920.
Buck Creek State Bank, Buck Creek, Ind., May 20, 1920.
Nichols Savings Bank, Nichols, Iowa, June 17, 1920.
Farmers Savings Bank, Calamus, Iowa, June 22, 1920.
Cherry Valley State Bank, Cherry Valley, Ill., June 23, 1920.
Edgerton State Bank, Edgerton, Ohio, June 25, 1920.
Sublette Exchange Bank, Sublette, Ill., June 28, 1920.
Arlington State Bank, Arlington, Ill., July 21, 1920.

18 MONTHS' RECORD

THIS picture below shows the vault door of the Woodruff National Bank, Dunkirk, Ohio. The only case on record where any locking device ever prevented burglary where acetylene torch was used.



There was absolutely nothing holding this door except Anakin Burglar Proof Locks.

Write or Wire for Full Particulars or Demonstration

PROOF BURGLARIES Prevented by Anakin Locks

Farmers State Bank, Elberon, Iowa, Aug. 18, 1920.
Citizens State Bank, Tab, Ind., Aug. 21, 1920.
First National Bank, Norway, Iowa, Aug. 22, 1920.
American Savings Bank, Staceyville, Iowa, Aug. 23, 1920.
First National Bank, Oneida, Ill., Sept. 13, 1920.
State Bank of East Stanwood, East Stanwood, Washington, Sept. 14, 1920.
Bank of Emma, Emma, Mo., Sept. 17, 1920.
Peoples Bank, Mt. Jackson, Va., Sept. 19, 1920.
Valley State Bank, Post Falls, Idaho, Oct. 7, 1920.
Woodruff National Bank, Dunkirk, Ohio, Oct. 8, 1920.
Somonauk State Bank, Somonauk, Ill., Nov. 13, 1920.
First State Bank, Magnolia, Ill., Nov. 20, 1920.
Imbler State Bank, Imbler, Ore., Dec. 2, 1920.
First National Bank, Percy, Ill., Jan. 5, 1921.
Farmers Savings Bank, Bulpitt, Ill., Jan. 12, 1921.
Farmers Bank, Buckingham, Ill., Feb. 2, 1921.
Miller Co. Exchange Bank, Olean, Mo., Feb. 2, 1921.
Epworth Savings Bank. Epworth, Iowa. March 10, 1921.

HOME OFFICE
ANAKIN LOCK WORKS, 21 N. LA SALLE ST., CHICAGO, Ill.
Exclusive Canadian Agents:
MATHESON & LAWLOR 212 C. P. R. BLDG. TORONTO, ONT., CANADA

THE FINANCIAL POST

Members of the Audit Bureau of Circulation.

President - - - - JOHN BAYNE MACLEAN
Vice-President - - - HORACE T. HUNTER
Manager - - - - - GORDON RUTLEDGE
Editor - - - - - - J. W. TYSON

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisement."

Advertising matter is investigated before publication, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may suggest.

No material from news bureau sources submitted for editorial purposes will be published, and no such bureau or individual should be paid any consideration or given any credit for the insertion or inspiration of any item.

ADVERTISING RATES:

Single insertion	$ 2.80 per inch
Yearly insertion	91.00 per inch
Financial Reports, Debenture Notices, etc.	20c per agate line

SUBSCRIPTION PRICE:

Canada, the United States and Mexico.....	$5.00 per annum
Great Britain, Ireland, and Colonies having minimum postal rates	£1 1s. 0d.
France and other Countries	£1 7s. 6d.

Subscribers are especially requested to report any instance of London, The MacLean Co. of Great Britain, Ltd., 88 Fleet St., E.C., delay or non-delivery of THE POST.

PUBLISHED BY

143-153 University Avenue, Toronto.

MONTREAL, Southam Building, 128 Bleury Street, M. Foster; WINNIPEG, 1103 Union Trust Building; VANCOUVER, 314 Carter-Cotton Building, Roy Hunter; BOSTON, 734 Old South Building, C. L. Morton; NEW YORK, Room 1606, St. James Building, 1133 Broadway (corner 26th Street), A. R. Lowe; CHICAGO, 403 Transportation Building; CLEVELAND, 1261 East 99th St., W. L. Gifford; GREAT BRITAIN—E. J. Dodd, Director.

TORONTO, APRIL 15TH, 1921

BUILDING COSTS AND COMBINES

WHEN the Farmers' Government of Ontario is considering the proposal that it should go into the lumber business and develop timber resources for the benefit of the people, the experience of the Grain Growers of Western Canada should be carefully considered. The Western farmers found out all the difference between theory and practice when it comes to the operation of a highly specialized industry. Here again Premier Drury will do well to follow the policy of not trying to do for the people what they can much more efficiently do for themselves.

At the same time if there is any ground for the charges that building costs are being held up and construction discouraged through the operations of combines it is up to those who make such charges to produce evidence to support them. A remedy can then be found. It is highly important that the building industry be stabilized at the earliest possible moment and a basis of costs reached which will restore public confidence. Labor leaders are shortsighted if they do not realize this. The theory that low production per man means more jobs falls down when production costs are raised to a level which means stagnation in the industry.

MAINTAINING WAGE STANDARDS

THE attitude of organized labor is that the workers should not bear the brunt of the readjustment in the cost of living. With such an attitude there can be no general disagreement, but that in the present readjustment of living costs the return to the workers can be continued on the high level established during the period of industrial and trade inflation is entirely another matter.

The idea that there are certain standards by which the people should live and that wages should be maintained on a level to make these standards possible is not sound, no matter how worthy it may seem or how much sympathy it may arouse. The laws of economics are inexorable. There is no social system by which any worker or class of workers can secure more in wages, more than they earn, unless at the expense of their fellow workers. When a union becomes sufficiently strong to exact wages which are not earned it becomes a menace to the welfare of the industrial community.

The scale of wages now paid to railroad workers in America was evolved in politics, rather than established on the fundamental basis of supply and demand. The result is that costs of transportation are unhealthily high and eventually industry will suffer in the loss of competitive markets. The coal miners in England are likewise handicapping industry there and are playing into the hands of the manufacturers of Germany.

There never was a time when it was so highly important that there should be a sympathetic understanding between employers and employees as to their mutual interests. It will avail labor little if wages are maintained on a level discouraging to production and the present condition of unemployment is aggravated. A willingness to accept some adjustment on the basis of the reduced cost of living would at least accomplish something in the direction of bringing production costs to a level where normal consumption will be encouraged and a healthy condition in industry restored.

PAYING FOR CIVIC SERVICE

IN dozens of Canadian cities municipal treasurers handling many hundreds of thousands of dollars a year, are receiving salaries smaller than bookkeepers and accountants in industrial plants in the same communities. The bookkeepers and accountants handle no funds; they determine no policies; they merely record the financial activities of the men over them. The municipal treasurer on the other hand is the financial adviser of his town or city; and the yearly business of the town or city itself may easily be the biggest business, from the standpoint of income and expenditure, of any in the municipality.

There is in Ontario a city of around 25,000 people with a yearly income of over $500,000 where the city treasurer is paid a salary of about $35 a week. It is doubtful if in all Canada there could be found a business institution paying such a meagre salary to a man supervising the expenditure of such a sum each year.

Here in brief are some of the more important duties the city treasurer of this city has to perform:

Collect the taxes; arrange tax sales and collect water rates; license fees; and other income of the municipality.

Prepare the estimates for submission to the city council and after they are passed supervise the expenditure of the funds provided.

Sell the cities bonds, choosing the best market and the best form of bonds in order to get the highest possible price for them.

Keep an eye on the city's sinking fund, watching for opportunities to make profitable investments, or turn over securities at a profit. A good city treasurer may earn several times his salary in any one year by judicious attention to sinking fund investments.

Act as financial adviser to the city council.

Salaries of civic officials—and this includes more than the treasurers—are on an average much too low in Canada. It is essential to good civic government that the best class of men be attracted to community service but when municipal officers are offered clerk's salaries the best men move into other fields of activity and the administration of public affairs suffers.

HYDRO FARES FOR ALL RADIALS

ALTHOUGH endorsing the general contention of James Hough in his articles in THE FINANCIAL POST, that the growing use of the motor truck and the passenger automobile should be seriously considered in relation to the proposed construction in Ontario of new radial lines involving many millions, we would point out that some of the existing electric lines are rendering efficient service in territories otherwise without facilities justified by present developments, and would still be in a healthy financial position if allowed to charge fares in keeping with the cost of the service provided. The opposition of Hydro interests to the McCrea bill in the Ontario Legislature is the height of inconsistency when the rates existing on the London and Port Stanley and the basis proposed for the Guelph radial are considered. The Kitchener Telegraph effectively comments:

> The arguments advanced against the McCrea Bill, by which it is proposed to give the Ontario Railway and Municipal Board power to fix railway rates, by Sir Adam Beck and J. W. Lyon, of Guelph, do not look well in print when compared with the Bill seemingly sponsored by these self-same gentlemen to enable the city of Guelph to increase its street railway fares. On the one hand these gentlemen ask for the privilege of charging a 7-cent fare on Guelph's municipal road and on the other hand ask that private owned roads be deprived of a similar privilege to help them meet advanced operating costs. On the face of it the two actions do not show consistency.

RESTRICTING BANK CREDITS

THE charge that banks have been restricting credit is not confined to this country and at the annual meeting of the London County, Westminster and Parr's Bank, one of the five great banks of London, the chairman, Mr. Walter Leaf, spoke of the reports of this current in Britain. He said:

> "The part which banks play in industry is, I believe, much exaggerated in popular opinion. It must always be remembered that bankers do not create wealth—it is only within very narrow limits that they can create credit. Credit is based on production and savings which increase bank deposits; the function of banks is mainly directive. They can influence in one direction or another the employment of funds which their customers place with them, but in the amount of credit which they can dispose they are neither creators nor free agents; they are strictly limited by their own resources."

Referring specifically to the reports of restriction of credit he stated:

> "Our rule has been to give credits on the most liberal scale consistent with the proper preservation of our resources. There has been no sort of agreement or understanding among the banks that advances should be restricted or rationed; we have all endeavored to deal with the situation on the most generous lines, bearing in mind particularly the claims of our smaller customers."

It would appear that there, as well as here, funds for speculation have been extremely difficult to obtain, though accommodation has been readily available for the requirements of ordinary trade.

EDITORIAL NOTES

AMERICAN labor unions will organize a $100,000,000 trust to wage war on capital. Supposing the effort is a success and the present so-called capitalistic system is destroyed, what then?

* * *

THE Governor of New York State, who has been endeavoring to launch a public ownership power scheme similar to the Hydro-Electric in Ontario, has failed to get his measure passed by the Legislature. It was defeated by a vote of 84 to 44 in the House and 18 to 10 in the Senate.

* * *

THE FAIR Rental Bill was practically friendless when it came up for consideration in the Ontario Legislature. Evidently the conviction is growing that the way to meet the housing problem is to encourage rather than discourage the building of more homes.

* * *

ONE OF Sir Adam Beck's admirers from his home town writing from Florida compares power rates there with those in Ontario, adding: "Florida needs a Sir Adam Beck." Not necessarily; what Florida needs is a Niagara Falls. There is no more sense in comparing power rates of Ontario and Florida than the prices of ice in Nome and Miami.

* * *

IN HIS history of Hydro-Electric development in Canada, E. B. Biggar has convinced himself—and no doubt satisfied Sir Adam Beck and the friends of public ownership—that Ontario Hydro rates are less than half the average charges paid by consumers under private companies. Perhaps Mr. Biggar has not heard of that $10,000 challenge of Sir Herbert Holt to prove that Hydro charges are less than those of the Montreal Light, Heat and Power Company.

* * *

WALL STREET is accused of boycotting North Dakota. This is a time-worn complaint of those who have failed to secure all the capital they want on such security as they are prepared to submit. As a matter of fact the bankers of Wall Street merely reflect the attitude of the investing public. They will not buy the securities of North Dakota when they know that the failure of socialistic experiments in that state has created a public attitude which would prevent them from selling them to investors.

* * *

OF TEN projects submitted to the United States Federal Water Power Commission for the development of Niagara Falls, Robert G. Skerrett, writing in the Scientific American regards that of T. Kennard Thomson, C.E., for the damming of the river and tunnelling of Goat Island as the only one "sufficiently matured to warrant discussion." "Isn't it worth while to have at our disposal 3,500,000 horsepower without burning a single pound of coal?" asks Mr. Skerrett in conclusion.

President Harding's Cabinet

By ROGER W. BABSON.
Babson's Statistical Organization.

Business men should be very much pleased with the Cabinet that President Harding has selected. He has a group of conscientious, experienced, and able men, with a good proportion of business men. All of these men, except Mr. Daugherty, who is to be Attorney-General, I have met personally, and with most of them I am well acquainted.

All clients know Charles E. Hughes, who is now Secretary of State. Mr. Hughes, of course, came into prominence when conducting the insurance investigations in 1905-06, after which he was Governor of New York from 1907 to 1910, Associate Justice of the United States Supreme Court from 1910 to 1916, when he ran for the Presidency. Probably no man is better able to bring together the warring factions of the Republican Party on the League of Nations questions than Mr. Hughes. The world will not be stabilized until the United States enters a League of Nations on some basis. Mr. Hughes believes this, but will see that it is done in a safe and sane manner.

A. W. Mellon, the new Secretary of the Treasury, is one of the ablest business men in America. I first met Mr. Mellon years ago when he personally gave me a subscription to Babson's Reports. He then was building up the Mellon National Bank of Pittsburgh. Since then he has become a great factor in the development of industrial America. The Mellon interests are very extensive in connection with coal and oil properties, railroads, steel plants, and real estate. No man has ever taken the Treasury portfolio who was better equipped to deal with banking, taxation and business problems.

Secretary of War a Broker

John W. Weeks, formerly of Hornblower & Weeks, one of the leading stock exchange firms of this country, is the new Secretary of War. Many people thought Mr. Weeks would be selected for the Secretary of the Navy, owing to the fact that he is a graduate of the United States Naval Academy. But in view of the possible developments in Mexico, the position of Secretary of War will probably be much more important during the next few years. Mr. Weeks was Congressman from my own district here in Massachusetts, 1905-13, and still lives in Newton, which adjoins Wellesley. He was Senator from Massachusetts, 1913-19, and was one of the hardest working and most efficient men in that body. Mr. Weeks is quiet and unassuming, but is very able and has excellent judgment. Although he has always been closely identified with the financial interests of the country, yet he is fair and more liberal than some of his associates.

Harry M. Daugherty, the new Attorney-General, is a lawyer of Columbus, Ohio. He has always been prominent in Ohio Republican circles, and was Mr. Harding's campaign manager. It is very important that the closest relations should exist between the White House and the Attorney-General's office, and Mr. Daugherty was the logical choice for this position. Furthermore, the simplicity with which he handled the Harding campaign—compared with the lavish expenditures of the Wood and Lowden campaigns—indicates that he has a keen sense of how the American people feel and will work for the best interests of the country.

Will H. Hays, the new Postmaster General, is from Sullivan, Ind., and a member of the law firm of Hays & Hays. He also is a bank director and interested in corporate matters. Considering his youth (he is only forty-one years of age) his position as chairman of the National Republican Committee since 1916 is a remarkable tribute to his ability. From the first he has been the natural appointee to this post and should fill it exceedingly well. He is one of the keenest and cleanest men that I have ever met.

A Policy for South-West

Senator A. B. Fall, of Three Rivers, New Mexico, is to be Secretary of the Interior. I am very glad of this because of the various irrigation, water power developments, land, and Indian problems with which the Interior Department is now faced. Being from New Mexico, Senator Fall understands the practical side of these problems. There doubtless are two sides to them. Many important projects await development. They should not be turned over entirely to private interests, neither should they be so surrounded by restrictions that capital cannot be secured for them. I believe that under the new Secretary of the Interior, irrigation and other projects will be developed in the Southwest and other sections of the country, from which the entire nation will greatly benefit.

Henry C. Wallace, of Des Moines, Iowa, is the new Secretary of Agriculture. He is the publisher of Wallace's Farmer, one of the leading farm papers of the country. Only a few weeks ago his paper severely criticised me for my Barometer Letter of January 25, 1921, on the farming situation. Unlike most of the criticisms received, Mr. Wallace's article showed a spirit of fairness which especially impressed me. I believe he is the best choice that Mr. Harding could have made for this important post and he will have a big job, too! Like many of his associates, he is an active church man and a member of the International Committee of the Young Men's Christian Association.

Hoover for Commerce

Herbert C. Hoover votes in California, has his office in New York, and has lived the world over. To every one he is well known. I am very glad that he is to be a member of the President's Cabinet and believe that he is wise to accept the Commerce Portfolio. The Secretary of Commerce is the one man of the Cabinet who will have the greatest opportunity in steadying business conditions during the next few years. The Department of Commerce should be the department to guide business men and prevent dangerous booms and unfortunate depressions. No Secretary of Commerce has yet had this vision. I believe that Mr. Hoover will grasp it.

Edwin Denby, of Detroit, is the new Secretary of the Navy. He is a lawyer and an active business man—owning the Denby Motor Truck Company—but he has always been interested in naval affairs. Probably no business man in the country has a better practical knowledge of the Navy than Mr. Denby. Although Mr. Denby belongs to that conservative group of Republicans who do not like my ideas, I nevertheless believe Mr. Harding has made a splendid choice.

The Secretary of Labor

James J. Davis, of Pittsburgh, Penn., the new Secretary of Labor, is an interesting man. Like former Secretary Wilson, he was born in Great Britain, and he came to this country when about four years of age. When eleven he went to work in the steel mills. He has always taken an interest in labor matters, although he has never held high official labor positions such as Mr. Duncan, Mr. Lee, and some of the other men have who were active candidates for this very important post. Mr. Davis is also quite a business man, having organized the Loyal Order of Moose. He has been at this work since 1906 and in connection therewith has built up a considerable organization, so much so that many labor leaders rather feel that his sympathy would now be as much with the business man as with the labor leader. Personally, I think that Mr. Harding has been exceedingly wise in making a selection of this sort. A prominent union leader as Secretary of Labor would not have received the support of the business interests. This support will be very important during the next two or three years. It is true that Mr. Davis has a tremendous task ahead of him, and in his behalf I urge all clients to give him their heartiest support.

Mr. Coolidge Comes In

In addition his other excellent selections President Harding has invited Vice-President Coolidge to become a member of his Cabinet. For Mr. Coolidge I have the highest respect and the greatest admiration. As all these men have great tasks ahead, Mr. Coolidge's counsel will be most valuable.

What does this Cabinet mean to business? It does not mean that we shall have an immediate return to prosperity, because these men are wise enough to know that the present period of deflation must run its course like any other disease. On the other hand, there never was an abler Cabinet nor one more friendly to the country's financial and constructive interests. Although a black deflation area must develop below the X-Y Line approximately equal to the black inflation area above, I believe these men will so shape this area that business may soon gradually improve. For further particulars of what I have in mind, refer to my Outlook Letter of December 28, 1920.

PERSONALS

FRANK I. SOMERS, Toronto financial broker, who died this week, had put through a number of important financial enterprises. He was active at the formation of the Sterling Bank, of which his brother, G. T. Somers, is now president, and was also fiscal agent for the Dominion Shipbuilding Company when it was formed. He was for some years proprietor of the Beeton World.

T. PALMER HOWARD, one of the directors of the Howard Smith Paper Mills, Ltd., has been appointed controller of the company. The office is a new one and its creation has been made necessary by reason of the great expansion in the scope of business of the company during the past few years. Mr. Howard is general manager of the Phoenix Bridge Company and a past president of the Montreal branch of the Canadian Manufacturers' Association.

GEORGE M. McKEE, a new member of the Board of Directors of the Riordon Company, was chosen in January as vice-president of the Canadian Pulp & Paper Association and next year will, in the natural course of events, preside over that vigorous organization. He has made a name for himself as managing director of the Donnacona Paper Company, Limited, which he has developed from its inception in 1912. Mr. McKee is a member of the American Society of Mechanical Engineers and of the American Electro-Chemical Society.

ROSS H. McMASTER, just appointed a director of the Merchants Bank of Canada, is most intimately associated with the Steel Company of Canada, being vice-president and Montreal manager. He began his business career as an office boy for the Sherwin-Williams Company of Canada, becoming assistant to the vice-president and later general manager. He left this position in 19[illegible] to accept a similar one with the Montreal Rolling Mills Company, which his father, Wm. McMaster, had developed. When the Steel Company of Canada was organized Mr. McMaster became manager of the Montreal branches.

NORMAN J. DAWES, a new director of the Merchants Bank of Canada, succeeds his uncle, the late Andrew [illegible] Dawes in this position, as he did in that of the presidency of National Breweries. Mr. Dawes is a son of the late J. P. Dawes, and has been associated in the brewery business bearing the family name for a number of years and later in the merger. He is rapidly extending his business activities, being a director of the Dominion Bridge Company, Limited; Wayagamack Pulp & Paper Co.; the National Trust Company; the Windsor Hotel Company, and B. J. Coghlin, Ltd.

FRED. N. SOUTHAM, chosen as a director of the Riordon Company, is a leading member of a family that has wider connections than any other in the newspaper publishing business in Canada, for he is vice-president of William Southam & Sons, Ottawa, who control the Southam Press, which in turn owns and publishes a number of dailies in strategic centers in Canada, such as the Ottawa "Citizen," the Hamilton "Spectator," the Winnipeg "Tribune," the Calgary "Herald," and the Edmonton "Journal." Starting in Hamilton, where the first paper, the "Spectator," was published by the family, Mr. Southam has had a large share in building up the very extensive Southam business interests.

JOHN BAILLIE, who has been appointed a director of the Merchants Bank of Canada, is managing director of the Dominion Oilcloth & Linoleum, Ltd., and president of Canada Linseed Oil Mills Company, Ltd.; and a director of Penmans, Ltd., and the Dominion Textile Company. Mr. Baillie began business in paints, oils and chemicals, selling out in 1886 a business he had established three years before, in order to accept the position of manager of the Dominion Oilcloth Co., as it was termed then. His career with this company has been a most successful one, and recently developments aggregating over $1,000,000 have been carried through. Mr. Baillie has also served as president of the Montreal Board of Trade.

H. D. SCULLY, who recently accepted the position of general manager of the Preston Car Company, is another of the energetic young men of large capacity and broad vision who have been associated with Mr. T. A. Russell in his many allied industries. Following his graduation from Toronto University, Mr. Scully joined the editorial staff of the Toronto "Daily Star," but preferring closer touch with productive commerce he joined the Canadian Manufacturers' Association, applying his energies to the "Made-in-Canada" movement. He organized the Canadian Home Markets Association, taking charge of the exhibition train which toured Canada for two years. In June, 1916, he became secretary of the Russell Motor Car Co., and in the following year was made assistant general manager. As vice-president of the North America Arms Co., he took over the old Ross rifle plant in Quebec late in 1917, retaining, however, his directorship of the Russell Motor Car Co. Having remodelled the rifle plant he succeeded in producing revolvers on orders for the American Government. The sudden cessation of hostilities and the signing of the armistice making their production unnecessary, Mr. Scully became manager of the Toronto branch of Willys Overland. University affairs have always had Mr. Scully's warm interest and support; he was one of the prime movers in the recent University War Memorial campaign. He was president of the Canadian Club of Toronto, but had to resign this position when he went to Quebec. In his new duties Mr. Scully will find use for all his experiences; he is taking up a task when production in all lines of commerce is at a low ebb. During the war all the radial companies largely suspended expenditure on new equipment except where absolutely necessary. Consequently a satisfactory volume of new work might well be expected in the immediate future and for some years to come. Mr. Scully is qualified to take advantage of this opportunity and that he will be successful is the belief and wish of all his friends.

CITY OF TORONTO

6% Coupon Bonds

Bonds may be purchased due in any year 1928 to 1938.
Interest payable half-yearly.
Denomination $1,000.

Bonds of the City of Toronto constitute the very highest type of investment

PRICE: Rate to Yield 6%

We shall be glad to supply full particulars on request.

A. E. AMES & CO.

Investment Securities — *Established 1889*

UNION BANK BLDG. . . TORONTO
TRANSPORTATION BLDG. MONTREAL
14 BROADWAY NEW YORK
BELMONT HOUSE VICTORIA, B.C.
HARRIS TRUST BLDG. CHICAGO

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

COQUITLAM BONDS

Enquirer, Dundalk.—Regarding Port Coquitlam bonds due March 15th, 1921. We have presented these in New York and Toronto at place of payment but it seems they have not made any arrangement for same. Could you supply me with any information? Do you think they will be paid and when?

We are informed by the city treasurer of Port Coquitlam that there will be a delay of about twelve months in the payment of these bonds, but that the municipality will pay interest for the period of delay.

The municipality plans to issue treasury notes against tax arrears, to raise funds to pay these bonds.

At the same time, a Toronto life insurance company that holds some of the issue has been asked to present the bonds again for payment. This may mean that arrangements have been made earlier than expected for refunding them. We would advise you to again present your bonds for payment and if they are not met to present them again at the end of two months.

CANADA LAND

Enquirer, York Mills.—Being a small holder in the Canada Land and Irrigation Company and not intending to subscribe towards the new proposition of £300,000 I am wondering if I shall be wiped out altogether. If you can give me any information as to my position I shall feel much obliged.

According to the information that has been published regarding the new debenture stock issue of the Canada Land & Irrigation Co., we see nothing to indicate that it shall be compulsory for a stockholder to subscribe to the new issue in order to retain his present holdings with the company. There is little doubt but that this company is urgently in need of money, if it is to safely pass the crisis that has arisen in its affairs. The invitation to subscribe has been addressed to shareholders, doubtless because of the fact that as their interests in the company are at stake, they will more readily appreciate the need for additional capital, and to conserve present holdings will respond more freely to the new appeal.

As the new issue of £300,000 7 per cent. bonds debenture stock has a prior lien on the assets of the company, the existing stock will be the first to suffer in the event of calamity. But there is justice in providing this protection to subscribers to the new issue, because they are coming in at a critical time, and if the company weathers the present storm successfully it will be mainly as a result of this inflow of fresh capital. We quote the following from "Canada," published in London, England, in reference to this company:

"The history of this great but disappointing project is too well known to need repetition now; it has been one of oft-deferred hopes and crises. It now seems to have come to a crisis in its affairs. It is to be hoped that the new finances will be found, as otherwise it appears that the company will be faced with disaster just when its development seems to have reached a point where actual results are anticipated from all its struggles in the past, and where, if the directors' anticipations are realized, the shareholders seem again to come in view of an eventual recovery of their investment."

DOMINION STEEL IN MERGER

Several readers have asked: Would you advise exchanging holdings of 6% Dominion Steel preferred stock for the new 7% preference stock of the British Empire Steel Corporation?

Until the new issue secures an established value well in advance of the security you hold we would advise against an exchange. The preferred stock of Dominion Steel Corporation occupies an unusually strong position so far as the payment of dividends is concerned, for this issue is backed up by income bonds in equal amounts of the Dominion Iron & Steel Company, and the Dominion Coal Company, at 6 per cent., so that it ranks prior to the 7 per cent. preferred stocks of both of these companies. In a letter to some investors in Dominion Steel preferred stock Greenshields & Co., in opposing any such exchange, make this statement: "On the one hand you are offered the same terms in exchange as holders of securities which come junior to yours, and we feel that you should be offered something better. On the other hand, you are asked to relinquish a bond-secured position of great strength, second, we think, to no preferred stock on the Canadian market, in favor of a preferred stock in a new company, which contains elements the value of which are yet to be seen."

In answering these inquiries THE FINANCIAL POST takes the same position as it did last year in reference to a similar question covering the original merger.

CUBAN CANADIAN SUGAR

H. R. F., Toronto.—As an interested reader of your paper any information you can give me in connection with the Cuban Canadian Sugar Company will be appreciated. (1) How does the company stand financially? (2) Has a statement been issued since they organized? If so what date, and where can same be obtained? (3) Is it planned to list their stock on the market? (4) What is your opinion regarding the stock of this company? The writer purchased preferred stock at 98. Is there any chance of the price coming back again?

There has been no statement issued in regard to the first year's operations of the company. A statement was prepared, we understand, up to June 30, 1920, and this would have been made public some time last fall had not disaster overtaken the sugar industry. With the price of raws dropping from over 20c a pound to under 4c a pound and no one knowing where the end would be, those interested in the flotation of this company, we understand, thought it would not be advisable to issue any statement for the time being until they knew exactly what the prospects of the company were for the new season of 1921. The company showed a good profit for the year ending June 30th, 1920, amounting to something like 10 per cent. on the common stock, but in the months that followed all the profits of the previous period were wiped out. Issuing a statement for an earlier period showing a good profit would probably have given a wrong impression as to the financial strength of the company's position and also to its position industrially, so that probably on the whole the delay in the publication of this earlier statement has been justified. At the present time the price of raws is getting back to a point where the company can operate at a fair profit, but it will probably be some months yet before the actual outlook for the year 1921 for this or any other company of a similar character can be figured out. The market price of the preferred and common issues has naturally sagged very heavily as a result of conditions in the industry. It would be impossible for us to venture even a guess as to how long it would take for the price of these securities to return to the old figure. As soon as we hear anything definite about the annual statement or prospects for this year we will note this in THE FINANCIAL POST.

GRAND TRUNK PACIFIC

M., Amherst.—I would like your opinion on the Grand Trunk Pacific Railway 4 per cent. mortgage bonds due April, 1955. I am thinking of exchanging some Victory bonds for these but understand that they are not absolutely guaranteed by the Dominion.

Grand Trunk Pacific 4's due 1955 are not in the same class, viewed from the standpoint of investment merit, as Victory Bonds and in making an exchange of Victories for the former bond you will be sacrificing a certain amount of security.

The reason is that these bonds are not absolutely guaranteed by the Dominion of Canada. They are guaranteed by the Grand Trunk Railway, and the government of Canada is committed to the acquisition of the Grand Trunk. So long as the Grand Trunk Railway remains Dominion Government property you have the virtual guarantee of the Dominion for the securities, but as we have pointed out in the FINANCIAL POST before, governments and government policies change and should the railways ever be handed back to private ownership the guarantee of the Grand Trunk Railway becomes merely the guarantee of that organization as a company, and would not therefore rank with the guarantee of the government.

RSC INVESTMENT-SERVICE

In Eight Financial Centres

We maintain thoroughly equipped offices for the purchase, sale and exchange of Government, Municipal and Corporation Bonds.

These offices are at Montreal, Toronto, Halifax, St. John, Winnipeg, Vancouver, New York, and London, England.

We solicit inquiries from investors who have bonds and stocks to sell, or from those who wish to buy or exchange. Orders accurately and efficiently executed.

If you wish to read a stimulating review of current business conditions, write and ask us to mail you this month's *Investment Items*.

Royal Securities CORPORATION LIMITED
MONTREAL
Toronto Halifax St. John Winnipeg
Vancouver New York London, Eng

COMMUNISM IN THE DISCARD

"Commerce and Finance"

Not desire, nor conversion to conservative views, but the compelling force of circumstances beyond their control, has led the astute Lenin and his Soviet Government to modify their Communistic program. They have discovered at last that while for great emergencies men will subject themselves to the iron discipline of military rule, they will not make this regimentation and discipline the rule of their lives, as is necessary to make Communism a success.

The improvement in the condition of the Russian people that must gradually follow the adoption of a program in which more consideration is shown for individual rights is likely to give Communism its quietus, for a generation or two at least.

Over the greater part of Europe, and even in the United States, Latin-America and Asia, Lenin has ardent disciples. Same for a few months in Hungary they have nowhere been strong enough to do more than raise sporadic disturbance. The world has stood like a rock against the plausible blandishments of "each for all and all for each" that make so powerful an appeal to the emotions but whose practical working in Russia has been so disappointing. With the improvement of conditions in Russia these malcontents will be shamed and silenced.

A sinister shadow which has darkened the world's future is removed, and we may now with saner minds address ourselves to the task of so developing our civilzation that it will be its own answer to all atavistic proposals for its overthrow and the substitution of something else. Rightly understood, property rights and human rights are synonymous terms.

SPRINKLERS SAVE BUILDING

Automatic sprinkler heads in the warehouse of the J. A. Tepoorten Drug Company, Vancouver, extinguished a fire which broke out in the basement of the premises recently. The fire was found to have originated in a small room in the basement, where hot ashes from the furnace had been deposited in large cans. The sprinkler head immediately above these receptacles operated perfectly and the firemen found that the blaze had been entirely extinguished. Had the sprinkler not operated, the fire would have extended to the other room, where large quantities of acids and chemicals were stored.

Chartering Motor Vehicle Transportation Companies

By JAMES HOUGH.

Those favoring radial railways and the Hydro's ideal of erecting a network of them over the Province seem to find jubilant satisfaction in the following oft-repeated paragraph:

"In spite of the many predictions that the automobile would drive the radial railway out of business, and in defiance of the great numerical increase in the former since the claim was first made, no charters have been abandoned, no railways have ceased operation, and no cars have stopped running on their account."

All of which may cheer the drooping spirits of those who would believe the "trolley" had already vanquished the "motor" as though it were a dreaded enemy intent on invading the privileged domains of the electric folk. But the cause of the jubilation is hardly apparent when it is considered that neither the automobile nor the motor truck have offered the slightest organized opposition to the radial railway up to the present time; that no charters or franchises for exclusive rights and exceptional privileges over certain highways, such as the radials enjoy, have been granted to nor applied for by incorporated motor vehicle transportation companies, and that no specially constructed passenger buses nor motor trucks for the carrying on of a public service on an extensive scale have yet entered into serious competition with the trolley car, and any consolation derived from the information contained in the above paragraph is but soothing balm to the apprehensive dread of a prospective rival that has not yet snarled, shown its teeth, or blinked a jealous eye-lash.

Ever-Widening Field

The motor vehicle has attended strictly to its own affairs, striving to fill as rapidly as possible the demands for a private rather than a public means of conveyance, but those long harboring such a preference proved so numerous and so eager to make the change that it fell far short of meeting the demands made upon it. Then foundries and factories for the manufacture of unlimited numbers of them began to rise over the land, until today the United States and Canada are dotted with many of the largest, best equipped, and most thoroughly perfected, standardized and systematized machine shops the world has ever known. Thousands upon thousands of expert mechanics are daily employed therein and still the demands are unmet; those pressing urgently for a more speedy and more comfortable "home to office" method of transportation never grow less; a new cry rings out above the clamor for a more rapid and more convenient "farm to town" conveyance; another arises to drown out both for "public service motor busses" that all might ride at pleasure; the output of the factories are greater than ever.

Chartering Difficulties

The granting of charters bestowing rights, privileges and monopolies on radial railways has ever been an easy proposition, but to grant like rights to motor vehicle transportation companies, that the motor truck of a manufacturer and the automobile of a private citizen are barred from enjoying, is a proposition that seems to involve some difficult problems at the present stage of advancement. Naturally the owners of motor vehicles in general, on first thought, bitterly resent the granting of privileges of any kind, and maintain that the Government and the municipalities should build permanent roads for their cars to run upon, regardless of the fact that all citizens do not own motor vehicles, and that the latter, while not fortunate possessors of them, are, nevertheless, becoming more and more deeply interested in their general efficiency and in having some cheap and properly controlled means of placing them at the service of the public.

But system will come out of chaos, and the people of all classes alike are gradually coming to the realization that in order to receive the comforts, conveniences and benefits of the motor vehicle to the full—that it might call for and deliver passengers at every home, at every farm, at every hamlet, village, town and city, at every corner, along every side road, main street and highway, and pick up parcels, express and freight from every farm, store, wholesale house, and factory at the same hour, and almost the same minute every day—it must be endowed with certain rights, privileges and concessions under the terms and conditions of a workabe franchise to make it possible, and the people, as a people, will demand that it be so. From plans and ideas now evolving in the minds of unprejudiced public men who have grasped the tremendous importance of the situation, something in the way of a workable charter will come forth to meet the applause of an approving public, and from that time on electric railways will as rapidly and as quietly disappear from the highways as the steam engine vanished from the factories of this province on the advent of hydro-electricity.

Ontario's Mistake

But, in the interval, Ontario will construct a mammoth system of electric railways. But in spite of any monopolistic concessions the Hydro railways may possess, private motor car transportation companies, equipped with the latest perfected and approved public service motor vehicles to meet every requisite, as operated in other Provinces and States, will engage in a free for all competition and get the business by calling at and delivering to the very doors of the factory, the wholesale house, the store, the home and the farm, while the limit-bound Hydro railways must sustain themselves within their rail-tied bounds upon the meagre subsistence a sympathetic following may bring to them. The world will look on and smile while Ontario spends millions of dollars in the consumption of valuable power—power, more precious than Solomon's riches—power, that could create the wonders science dreamed of for centuries—power, the one great essential to all things that men, nations and empires have vainly sought in all ages since time began—power, the base of industry, the foundation of production, and the fount of prosperity—power, the greatest gift a kind Providence ever bestowed upon a favored people, she will fritter away in the consummation of an empty achievement at an embarrassing loss to the public and to the financial humiliation of the province, instead of directing its beneficent forces to the advantage, prosperity, success, comfort and happiness of the people, and to the profit and glory of Ontario.

GREENSHIELDS & COMPANY'S MONTHLY REVIEW

Is the Banking Position Improving?

What is the proportion of current, call and municipal loans to total deposits? What is the bank's ratio of liquid assets to liabilities? What is the proportion of gold to the net circulation of paper money?

These and other questions affecting the banking position are answered in the current issue of Greenshields' Review.

Copy sent on request.

Greenshields & Co.

INVESTMENT BANKERS
17 St. John Street, Montrea'
14 King St. East TORONTO — Central Chambers OTTAWA

CURRENT OPINION

LEARNING BY EXPERIENCE

Regina "Leader"

The action of Sir Henry Drayton in consulting with the various business interests of the country before deciding on methods of taxation for the coming year will commend itself very generally.

Last year, possibly with the natural impetuosity of a new man on the job, Sir Henry went off at half-cock, with the consequent result that business throughout the country was seriously hampered by a so-called "luxury tax" that was chiefly successful as a handicap to legitimate business and that finally had to be withdrawn.

The excess business profits tax was likewise a tax that was established without sufficient investigation as to its probable effects, with the result that from its inception it has acted as a serious deterrent to business expansion at a time when, if the country is to pay its way, trade expansion of a legitimate character is a prime essential.

A sales tax equitably levied so that it will not unduly press upon any one class in the community, with an income tax that gets heavily at the man receiving an income in excess of what is required to provide the reasonable enjoyments of life should furnish even the present spendthrift Government at Ottawa with sufficient to meet all their requirements.

But whatever taxes it may be decided to levy—and the country may well make up its mind that it is going to be taxed as never before—at least let us have the satisfaction of avoiding the happy-go-lucky, hit-and-miss polilcy of taxation which has characterized the budgets of the last few years to the great detriment of wage-earners, retail and wholesale and manufacturing interests alike.

SPEAKING OF MR. HANNA

"Farm and Ranch Review"

The present management of our National Lines compares favorably with those of other great railway systems. Mr. Hanna suffers in reputation from his earlier connection with Mackenzie and Mann, but unjustly so. He is a sound, hard-headed Scotchman, economical to a fault and apparently earnestly anxious to make a success of the undertaking. Associated with him is a Board of Directors composed of the brightest minds in Canada, who are patriotically giving their time and talent, probably without any remuneration, to the great project in hand. It is difficult to see how this arrangement could be improved upon. Charges are also freely made that the National Lines are over-manned. We have observed no tendency of that sort ourselves. The employees, in our experience, have been busy and courteous to the public, and the service of a uniformly high order.

But partisan politics will do its best to bedevil the whole proposition and what evil this influence fails to accomplish will doubtless be greedily seized upon by organized railway labor. Recently Mr. Hanna very properly refused to permit permanent employees to enter political life. Every sensible person would applaud this determination, but a general strike was forthwith threatened. How can we make any progress under such conditions? The Government, very wisely, refused to interfere, but the matter has not yet been settled. We must remove absolutely the blighting hands of politics and labor domination from our great venture. Otherwise we are riding for a fall.

Two Attractive Investments

are offered in the following bonds:

City of Toronto
6% Bonds, due 1st March, 1928-40, yielding 6%

City of Winnipeg
6% Bonds, due 15th Feb., 1941, yielding 6.05%

Orders for any amount may be wired or telephoned at our expense. Write for our list of offerings.

Wood, Gundy & Company

Canadian Pacific Railway Bldg. Toronto

Toronto, Montreal, Winnipeg — Saskatoon, New York, London, Eng.

We Will Buy British Columbia Municipals

Alberni, Armstrong, Chilliwack, Duncan, Enderby, Fernie, Kamloops
Merritt, Nanaimo, Nelson, New Westminster, North Vancouver, Port Alberni, Revelstoke
Rossland, Trail, Vancouver, Vernon, Victoria, Burnaby, Coldstream
Delta, Oak Bay, Richmond, Saanich, South Vancouver, West Vancouver

Royal Financial Corporation, Limited

Rogers Building, Vancouver, B.C.

BRANCHES:

B. C. Permanent Loan Bldg. VICTORIA, B.C. — 201 Central Bldg. SEATTLE, WASH. — 16 Elden Street LONDON, ENG.

CITY OF ST. CATHARINES
6½% COUPON BONDS
Maturing serially
March 1, 1922 to March 1, 1936
Principal and semi-annual interest (March 1 and September 1) payable in Toronto or St. Catharines. Denominations $500 and $1,000.
PRICE: To yield 6.30%-6.25%
(according to maturity)
HARRIS, FORBES & COMPANY
INCORPORATED
C.P.R. Building TORONTO — 21 St. John Street MONTREAL

Are Your Savings Doing Their Best?

IF you are not obtaining the highest interest rates compatible with safety, your investment funds are not doing their full duty.

Take an inventory of your securities to-day. Probably you will find some bonds may be profitably exchanged for others yielding more—with absolute safety. We will gladly advise you on this matter. Such individual aid is part of our service.

Send for a copy of our "Investment Guide." It contains many practical suggestions.

Before You Invest, Consult Us.

Æmilius Jarvis & Co.
LIMITED
Jarvis Building TORONTO
INVESTMENT BANKERS
ESTABLISHED 1891
CORRESPONDENTS
LONDON, ENG. NEW YORK MONTREAL WINNIPEG

Osler, Hammond & Nanton
Winnipeg
Stock Brokers and Financial Agents
Insurance — Mortgage Loans — Real Estate

We own and offer
$40,000
City of Toronto 6% Coupon Bonds
Due 1st October, 1944 — Interest Payable 1st October and 1st April.
Price: Par and Interest
UNITED FINANCIAL CORPORATION, LIMITED
14 KING STREET EAST, TORONTO
Montreal — Ottawa — London, Eng

McDOUGALL & COWANS
(Members of Montreal Stock Exchange)
HEAD OFFICE:
130 ST. JAMES STREET, MONTREAL
Branch Offices:
Quebec, Ottawa, St. John, Winnipeg, Halifax, Toronto
Connected by Private Wire

BROMPTON'S ISSUE IS UNDERWRITTEN

Montreal Firms Take $2,500,000 of 20-Year 8% Bonds

From Our Own Correspondent.

MONTREAL.—The new issue of $2,500,000 of the Brompton Pulp & Paper Co. of twenty-year 8 per cent. bonds has been underwritten by Greenshields & Co. and Hanson Bros. and a public offering will be made in the near future. The issue is intended to cover a portion of the cost of the groundwood pulp mill and to provide working capital for the company. These bonds will be convertible into two shares of common stock for each $100 of bonds during the duration of the issue. It is stated the directors have taken $1,000,000 of the issue.

NEWS OF THE BOND MARKET

BRITISH COLUMBIA BOND MARKET HAS ACTIVE TENDENCY

Point Grey, North Vancouver and Nanaimo Have Issues

CHINESE BONDS APPEAR

P.G.E.'s Sell at 6.40 to 6.50 Per Cent. — Gossipy Comment From The Coast

From Our Own Correspondent.

VANCOUVER.—There has been much activity recently in the sale of government, municipal and sterling bonds through the medium of local financial houses and a very satisfactory volume of securities has been moved.

Local wire houses having any surplus offerings for sale are marketing them in the East, while on the other hand the banks are reported to be filling local orders with stocks held in the East. Short dated maturities are in great demand, the 1924's being particularly scarce. There is no evidence that corporations are unloading to provide new funds for business purposes.

Considerable business is still being done with American buyers. This week one of the houses disposed of a block of Grand Trunk 4's maturing in 1939 to yield 7.20 per cent., also a few Oak Bay's. The latter issue is a 5½ per cent. bond maturing in 1925. Principal is payable in Canadian funds in New York, interest in New York funds. An issue of $10,000 West Vancouver ferry bonds were sold to yield 7 per cent.

Chinese Loan Is Sold

Pacific Great Eastern guaranteed bonds are moving in odd lots at prices to yield from 6.40 to 6.50 per cent. Dealers are having much difficulty in obtaining sterling bonds to meet the demand. On the London market only the long term maturities. Point Grey maturing in '53, '61 and '62, North Vancouver '57's, '61's and '63's and New Westminster '62's are among the offerings but the short dated issues are scarce. The London holder requires a basis of around 6 per cent. before he will let go under present exchange conditions.

Lottery bonds of the Chinese Restoration Loan are making their appearance on this market. They were issued in 1913, mature in 1960 and the first drawing takes place in 1924. This bond is issued in sterling, francs, marks, roubles and yen and is selling locally to yield nearly 10 per cent. They are finding their way to this market through Seattle.

Point Grey council will soon call for tenders for $195,000 school bonds provided the ratepayers give their assent on April 16, the council having passed the by-law. The municipal department at Victoria has authorized the district of North Vancouver to issue $11,000 hospital bonds carrying 6 per cent. interest maturing in 1926. Nanaimo is also expected to call for tenders soon on a school loan.

TOWN OF BURLINGTON SELLS A BOND ISSUE

United Financial Corporation Buys Debenture at 6.41 Rate

Town of Burlington bonds to the amount of $48,404 were sold this week to the United Financial Corporation. The debentures were in two blocks, including $47,014 of 6 per cent. 30 instalment bonds and $1,390 of 6 per cent. fifteen instalment bonds. The price paid was 95.78, a 6.41 per cent. basis. Bids were:

United Financial Corportion	95.78
Dominion Securities Corp.	94.938
R. C. Matthews & Co.	94.68
C. H. Burgess & Co.	94.62
A. E. Ames & Co.	94.29
Wood, Gundy & Co.	94.21
MacLeod, Young, Weir & Co.	94.09
Zimmerman & Malloch	93.89

"DE CORRIDAS DE TOROS"

Civic heads in Canada, who at this time of paring and pruning of estimates are wrestling with problems of finding sufficient revenue to keep their municipalities running, must look with longing eyes at Mexico City, which is worried little with finding sources of revenue.

Far from being "bancarrota" or financially insolvent the capital of the once turbulent republic below the Rio Grande has a goodly revenue from a source that Canadians might consider undignified. Taxes on bull fighting are important, and during a recent succession of bull fighting carnivals the city received a total income of over 300,000 pesos from this source alone.

LOCAL DEALER GETS ISSUE FROM AURORA

Basis of 6.28 Per Cent. Secured By Ontario Municipality

Because of the high bid put in by a local dealer the town of Aurora was able this week to sell its bonds at a very good price. The issue of $27,060 of 5½ per cent. twenty instalment debentures went at 93.97 to J. M. Walton, about a 6.28 per cent. basis. Bids were:

J. M. Walton	93.97
Harris, Forbes & Co.	93.38
Morrow & Jellett	92.78
Dyment, Anderson & Co.	92.78
Turner, Spragge & Co.	92.444
United Financial Corp.	92.37
A. E. Ames & Co.	92.33
R. C. Matthews & Co.	92.30
W. L. McKinnon & Co.	92.23
Imperial Bank	92.08
T. S. O. Pepler & Co.	92.04
MacNeill, Graham & Co.	92.036
Æmilius Jarvis & Co.	92.03
Wood, Gundy & Co.	91.37
MacLeod, Young, Weir & Co.	91.26
C. R. Clapp & Co.	91.25

FOUR FIRMS BUY ST. JOHN'S ISSUE

Milltown Refused all Tenders For $110,000 of Debentures

The municipality and county of St. John, N.B., have disposed of $100,000 6 per cent. ten-year bonds at 98½. These bonds are dated January 1, 1921, and mature January 1, 1931; interest payable in St. John, Halifax, Montreal and Toronto on January 1 and July 1 at par of exchange. The bonds are in denominations of $500. Four St. John bond houses, W. F. Mahon & Co., Eastern Securities Co., Ltd., Royal Securities Corporation, Ltd., and J. M. Robinson & Sons, are disposing of this issue at par.

Regarding the town of Milltown issue of $110,000 school debentures, THE FINANCIAL POST is informed by C. E. Casey, secretary of the board of school trustees at Milltown, that the tenders for the issue were not satisfactory and that they expected to call for new tenders in the near future.

Edmonton's Phone Surplus

Total revenue of Edmonton's civic telephone system after deduction of discounts and bad debts amounted to $392,911.61 last year, an increase of $59,852.26 over 1919.

The total expenditure, including all fixed charges, amounted to $332,621.07, which exceeds that of the previous year by $47,215.07.

The net surplus in the year's operations is $60,290.54, and the accumulated surplus as at December 31st, 1920, reaches the total of $135,809.39.

QUEBEC COLLEGES TO GET PROVINCE BONDS FOR GRANT

And, Presto! Financing Problems Are Solved

MITCHELL'S SCHEME

Million Dollars as Gift to Each School—They Are to Subscribe For as Much More

From Our Own Correspondent.

MONTREAL.—A rather novel experiment, THE FINANCIAL POST understands, will be tried out by the Provincial Treasurer, Hon. Walter Mitchell, having his next bond issue "underwritten" by the three colleges, McGill, Laval, and the University of Montreal. The plan that has received approval at Quebec is to make an issue of $6,000,000 of bonds, for ten years, bearing 5½ per cent. interest, in place of 6 per cent. as in the previous issue, and present $1,000,000 of these bonds to each of the three universities, to implement the million-dollar promise made each of them by the Provincial Government. Each also, it is understood, will be asked to subscribe for an extra $1,000,000 of the 5½ per cent. bonds, with the money subscribed in the various endowment campaigns; and, presto! the province is rid of six millions, and the endowment fund undertakings have been kept.

The plan is, admittedly, a rather shrewd one, although it presents some interesting complications. How and when are the seats of learning to dispose of their $6,000,000 of bonds, and at what price? When the plan was mooted first a bond dealer's objection was that the bonds were equal only to a little over 96—on the basis of the present-day standard of a 6 per cent. yield. Hence, the treasurer, it was argued, was liquidating a million-dollar obligation in each case for somewhat over $960,000, and in addition getting $3,000,000 cash on a 5½ per cent. basis. But an inquiry into the terms of the educational grant brought out the point that the Government had provided for $200,000 a year, not the full amount in cash in one instalment and the "present worth" of this would be a little over 94 per cent.—hence the treasurer, so far from exacting a discount, was actually bestowing the gift with a premium thrown in.

For all that local bond dealers who have heard of it object to an attempt to force a 5½ per cent. interest rate, in the face of a prevailing rate of 6 per cent. on outstanding bonds of the last issue. Mr. Mitchell raised an outcry the last time when he forced the bond dealers to pay 99 for the Provincial bonds, leaving them far below the usual margin of commission.

SOME TALK OF LOAN BY THE DOMINION

Sir Henry Drayton May Want to Replace $130,000,000 Being Paid Off

There is a possibility that the Dominion of Canada will issue a $100,000,000 loan during the present year. Several months ago Sir Henry Drayton told the bond dealers in Toronto that the Government did not need any more money, that the new taxes had yielded results sufficient to warrant the Government buying in Victory bonds rather than issuing new securities, but the minister's financial problems are acute and it may be necessary to make a further Dominion loan.

The Government has already paid off $25,000,000 of its outstanding obligations this year by meeting the five-year loan arranged in New York in 1916 and in August $15,000,000 of two-year notes will have to be met in New York. Together with the nearly $90,000,000 of Victory loan bonds bought in by the Government under market control during the regime of the Special Victory Loan Market Committee the Government will by that time have reduced its debt by about $130,000,000. Whether the Government has the money available to this amount is a question that can only be answered when Sir Henry brings his budget down.

If the bonds are issued it is almost certain that they will be subject to income tax. On the other hand the Victory Loan bonds bought in by the Government are all tax-free issues. They were 1922 and 1927 issues and were bought at 99½ and 99¾ respectively. An additional $19,719,250 of the taxable 1934's that had been accumulated by the committee have since been placed on the market by the Government.

BOND MOVEMENTS OF THE WEEK

Bonds—	Int. Rate.	Due Year.	Yield.	Range 1921. High.	Range 1921. Low	Latest price week end. April 12. Ask	Bid	High	Low	Sales
Asbestos	5	1942	6.98	80	77	80	..	78	..	$ 1,025
Canada Bread	6	1941	7.42	86	83	90	85	85	83	10,000
Can. Car	6	1939	6.96	90	88	..	..	90	..	4,000
Can. Cement	6	1929	7.28	94	91½	93½	..	92	..	1,000
Can. Locomotive	6	1951	7.03	89	86½	90	..	87	..	1,000
Cedar Rapids	5	1953	5.71	89¾	86⅛	89¾	89¼	89¾	89	57,800
Dom. Canners	6	1940	6.93	90	86	90	..	90	..	1,000
Dom. Iron	5	1929	8.05	82	75	82	80	81	80¾	8,000
Ogilvie (C.)	6	1932	6.48	96	93	96¼	..	96	..	1,000
Mont. Sept., '23	6	1923	6.38	99¼	97¾	..	99	99⅛	99	1,500
Do., Dec., '22	6	1922	3.50	108	96½	108	107⅞	108	107¾	7,500
Do., May, '23	6	1923	3.50	108	103	..	107	107	..	10,000
Nat. Breweries	6	1939	6.96	92⅞	90	90¼	..	90	..	5,000
Porto Rico	5	1936	8.15	72	70	..	72	72	70	2,000
Price	5	1940	6.86	84	78	84	..	83	80	960
Quebec Rly.	5	1939	8.88	68	59	..	62	63	..	18,200
Rio	5	1935	7.46	79	62	78½	..	78	66	1,500
Sao Paulo	5	1929	8.20	82	70	80	79	80	..	1,000
Steel of Can.	6	1940	6.63	95	92	93½	93	94	93	2,700
Wayagamack	6	1951	8.10	78¼	75	..	76	76	..	13,000
War Loan (1925)	5	1925	6.18	95¾	92	95⅛	94¾	95⅛	94½	83,500
Do. (1931)	5	1931	5.77	95¼	90¾	93¼	93	93¾	92¾	37,900
Do. (1937)	5	1937	5.26	98½	94½	97⅞	96⅞	97⅝	97	98,000
Victory (1922)	5½	1922	6.25	99¼	96⅝	98¾	98⅝	98¾	98⅛	269,250
Do. (1923)	5½	1923	6.28	99	95½	98	97⅞	98	97¼	170,600
Do. (1924)	5½	1924	6.47	98½	94¼	96⅞	96⅝	96⅝	96	127,650
Do. (1927)	5½	1927	5.83	99⅛	95¼	98⅜	98⅛	98¼	97¼	61,350
Do. (1933)	5½	1933	5.74	99	95⅛	98	97⅞	98	97½	352,100
Do. (1934)	5½	1934	6.09	96⅛	92¼	94½	94⅜	94⅝	94¼	511,600
Do. (1937)	5½	1937	5.55	100¼	96½	[illegible]	[illegible]	[illegible]	[illegible]	145,500

We Specialize in the Sale of
GOVERNMENT and MUNICIPAL BONDS
R. C. Matthews & Co.
LIMITED
Bond Dealers
C. P. R. Building, TORONTO

Province of
Saskatchewan
6% Bonds
Due 1st February, 1936
Interest Payable 1st February and 1st August
Denominations
$500, $1,000
Price: 99 and Interest
To yield 6.10%
L. M. Green & Co.
Members Toronto Stock Exchange
UNION BANK BLDG., TORONTO

McDonagh, Somers & Co.
Government and Municipal Bonds
Dominion Bank Bldg.
TORONTO
Canada

Victories and the INCOME TAX

You may have some difficulty in determining whether you should buy taxable or tax-free Victory Bonds.

A table in our monthly Victory Loan circular enables you to make the necessary calculations easily. It shows the percentage of net income left after taxes are deducted in the case of all incomes.

Send for your copy.

W. L. McKINNON & Co.
GOVERNMENT AND MUNICIPAL BONDS
McKinnon Bldg. TORONTO
Telephone Adel. 3870
W. L. McKINNON — DEAN H. PETTES

SAVE
Buy bonds now on our partial payment plan.
Write for particulars
Edward Cronyn & Co.
Members Toronto Stock Exchange
Cronyn Bldg., Bay St., Toronto

VICTORY LOAN BONDS
All denominations at market prices. Provincial, Municipal and Industrial Bonds, yielding from 6% to 8%.
Send for offerings and all information.
JOHN STARK & Co.
ESTABLISHED 1870 — MEMBERS Toronto Stock Exchange
ROYAL BANK BUILDING — TORONTO

BARRISTERS, WINNIPEG
Phone A3733
C. N. DALGLEISH
Barrister, Solicitor, Etc.
801 Union Trust Building
WINNIPEG, MAN.

RENE-T. LECLERC
INVESTMENT BANKER
MONTREAL 160 St. James Street,
QUEBEC 76 St. Peter Street,
(Established 1901)

OSLER & HAMMOND
Stock Brokers and Financial Agents
Members
Toronto Stock Exchange
Montreal Stock Exchange
21 JORDAN STREET - TORONTO

OTIS & CO.
United States and Foreign Government Bonds
Municipal and Corporation Bonds
Preferred and Common Stocks
Foreign Exchange
Acceptances
CLEVELAND
New York Boston Detroit Cincinnati Columbus
Toledo Akron Youngstown Dayton Denver Colorado Springs

FOUNDED HB 1883
Howard Smith Paper Mills Limited
7% Bonds Due 1941 to Yield 7.90%
Payable in Canada or in the United States
With exchange at 12½% premium, the actual return to-day without taking into account the future profit caused by the difference between present price of 91 and redemption price of 100 is
8.67%
Considering the strong security behind these bonds, the large sinking fund requirements called for by the trust deed and the fact that the bonds are a mortgage on the property of a corporation manufacturing a staple article used by practically every business and individual throughout Canada we have no hesitation in offering them as the **best investment opportunity on the market to-day.**
Write for full particulars of this attractive issue. In denominations of $1,000, $500 and $100—to suit large and small investors.
HANSON BROS.
Investment Securities
160 St. James St. Montreal

$25,000
CITY OF TORONTO
6% Bonds
Due 1947 to 1951.
Principal and semi-annual interest payable Toronto and Montreal.
Denominations $1,000
Price to yield 5.90%.
EASTERN SECURITIES COMPANY, LIMITED
St. John, N.B. Halifax, N.S.

WE OWN AND OFFER
Municipal and School Bonds
CREDIT CANADA LIMITED
Dominion Express Building
Montreal

Opportunities Overlooked
With so many new issues being offered, investors are liable to overlook bonds of long standing.
Some of these older issues can be bought to return a larger income—up to 8%—and are more readily saleable.
A list of these bonds will be sent on request.
25
F. H. Deacon & Co.
Members of Toronto Stock Exchange
INVESTMENTS
75 BAY STREET, TORONTO
Phone Main 6733
F. H. Deacon J. C. Fraser
R. G. Dingman

WE OFFER
$50,000
City of Winnipeg
20 Year 6% Bonds
Due 1st February, 1941
Denominations
$500, $1,000
Price on application.
BEAUSOLEIL LIMITED
Bonds Debentures
112 St. James St., MONTREAL

Your Interests in Alberta
Appoint this firm your adviser and agent in connection with Western Real Estate, Industrial and commercial locations, investments, etc.
TOOLE, PEET & CO., Limited
Financial Agents
Calgary, Alberta

WESTERN BOND ISSUES
We Specialize in Western Provincial, Municipal and School Bonds
Lougheed & Taylor, Limited
CALGARY, ALTA.

Manitoba's Population

The total population of Manitoba in 1920 was 541,466, according to the annual report of the vital statistics branch of the provincial government.

CIVIC AND PROVINCIAL FINANCE

ALBERTA'S CITIES ASKED TO CUT BIG SLICE OFF VALUES

Assessment Equalization Board Recommends New Land Basis

SEEK TAX SOLUTION

Committee Appointed By Alberta Government to Work Out Problem Makes Report

Following the real estate boom of pre-war days in Western Canada the towns and cities of the prairies were left with assessments that were far in advance of actual property values. This was especially true of subdivision properties, assessed as city land, but in reality valuable only for farming purposes. Since that period many of the cities have on their own initiative tackled the problem of getting assessments down to an equitable basis. It was necessary that they should do so for the owners of far out properties could not afford to pay the taxes that were necessary. Alberta, as a province, went wholeheartedly after a solution of its municipal tax problems. Measures were taken some time ago to divide municipal property into urban and rural zones. Another step was the appointment of a board of assessment equalization to revise the realty assessments of the municipalities of the province to a single standard.

The report of the board, now available, recommends drastic changes in the assessments, especially of the urban municipalities.

The cases of the cities are exemplified by Calgary and Edmonton, the former with a municipally assessed land value of $52,576,694 being equalized at $45,000,000, and the latter with an assesment of $61,891,965 being revalued at $45,000,000. For the six cities of the province the total former assessed land value was $133,590,221, while the figures of the equalization committee are $101,855,000. The committee points out that the province with 255,288 square miles has an acreage of 163,384,300, the surveyed portion showing at the end of 1919 85,147,816 acres.

Investigations found there were included in the municipal districts 28,691,221.98 acres of assessable land, and in the improvement districts 9,516,121.31 acres, or a total of 38,207,343.29 acres on which an assessed value had been placed for the levy of taxes. To be added to this was that occupied by the cities, 70,802.77 acres; by the towns, 66,279.85 acres; by villages, 33,870.44 acres, and by hamlets in municipal districts 61,700.96 acres, and in improvement districts 19,160.15 acres.

Average Value About $16

The average value of land assessed as acreage on the equalized basis fixed by the board was $15.49 an acre. It was pointed out that if this were capitalized at 8 per cent. it would require from every acre of assessable land in the province an average of possible income of $1.24 per acre, or $199.40 a quarter section of 160 acres. The board says examination proves that the possible returns fluctuate above and below this figure, and therefore they look into the consideration of values of land from every angle and arrived at their conclusions after several months of investigation and comparison.

The 120 villages of the province were found to have a total locally assessed land value of $7,415,515, this being reduced by the board to an equalized assessment of $4,964,877. The cities were revised as follows:

	Total local. Assessed Val.	Total equalized Assessed Val.
Calgary	$52,576,694	$45,000,000
Edmonton	61,891,965	45,000,000
Lethbridge	6,463,185	5,100,000
Medicine Hat	9,213,395	5,300,000
Red Deer	2,237,060	735,000
Wetaskiwin	1,207,922	720,000

Moose Jaw's Tax Levy

	1920	1921
Tax levy	$933,989	$1.012,379
Tax rate, P. S.	41.60	46.
Separate School	49.30	52.

Near Borrowing Limits

Moose Jaw's gross debt is $6,092,901 and the sinking fund totals $978,387. The borrowing power of the city is now $269,835.

Men in Municipal Finance in Canada

JAMES BELL,
City Treasurer of London.

His real name is James Bell, but if you called him that in his own home town nobody would know who you meant. To everybody in London he is "Jimmy" Bell, and he is alleged to be the hardest worked and poorest paid city treasurer in Canada. "Jimmy" Bell doesn't mind. He has never had any job but looking after the finances of the Forest City on the Thames and he does not want any other.

Twenty-five years ago when he quit school he went to J. K. Pope, then city treasurer of London and got a job as office boy. He learned the groundwork of municipal finance under a good teacher.

"Jimmy" Bell handles the finances of London as if every dollar he spends were his own. Often he works through until 3 or 4 o'clock in the morning, and then arrives at the office for a day's work at the same time as the rest of the staff.

He is a good city treasurer and he is also the champion quoiter of Canada. He used to be a star baseball player, and to this day he can hit the ball so far he could make three home runs on the drive if the rules allowed it.

Money By-Laws

TENDERS WANTED

Apr. 15, Kamsack, Sask.—$13,400 7 per cent., 15-year electric light debentures. L. W. Andrew, Treasurer, Kamsack.

April 28, Rockwood.—$70,000, 6 per cent. good roads debentures, issued in sets running from 1 to 30 years. V. W. McFarlane, Sec.-Treasurer, Stonewall, Man.

April 25, St. Boniface.—$150,000, 5 per cent., 30-year bridge debentures; $123,233, 6 per cent., 10, 15 and 20-year various debentures. Ernest Gangon, City Clerk, St. Boniface. (See announcement on page 5.)

Apr. 18, Ste.-Marie-de-Sayabec, Que. — $11,600, 20-year debentures. T. Leresque, Secretary-Treasurer.

April 18, Vermilion, Alta.—$20,000, 6 per cent., 20-instal.; $6,000, 7 per cent., 20-instal. debentures. H. P. Long, Secretary-Treasurer, Vermilion.

Sturgeon Falls.—$126,500, 6 per cent., 20 and 30-year debentures. Ls. Rod Vannier, Town Treasurer. (See announcement on page 5.)

Sturgeon Falls—$75,000, 6 per cent., 30-instal., school debentures. Z. Mageau, M.P.P., Mayor, Sturgeon Falls, Ont. (See announcement on page 8).

April 18, Province of Alberta.—$2,000,000 of 15-year, 6 per cent. bonds, payable in Canada only. Hon. C. R. Mitchell, provincial treasurer.

April 18, City of Niagara Falls—$250,000 of 30-year, 5 per cent. sewer debentures. W. J. Seymour, city clerk.

BY-LAWS PASSED OR DEFEATED

Winnipeg.—$2,000,000 for new school buildings. Passed by the ratepayers on April 5.

DEBENTURE NOTES.

Toronto—At a recent meeting the City Council passed a by-law to guarantee $4,000,000 of debentures to be issued by the Harbor Commission.

The council also authorized an application to the Private Bills Committee for capital expenditure amounting to $2,765,067 without the vote of the ratepayers.

SASKATCHEWAN

The following is a list of authorizations granted by the local Government Board from March 26th to April 2nd, 1921.

School Districts. — Gallinger, $2,000; Greystone, $2,000; Stratford, $2,500; Orel, $500; White Eagle, $1,000; North Melville, $4,000; Abbey, $2,000.

Village.—Prelate, $950.

The following is a list of debentures reported sold from March 26th to April 2nd, 1921.

Schools.—Kochmstedt 2,938, $700, 10 yrs., 8%, Nay & James, Regina; Mountain Lake, 760, $600, 4 yrs., 8%, J. S. Wien, Langham; Willowmoor, 1,956, $1,000, 10 yrs., 8%, Lanville, 2,276, $1,000, 10 yrs., 8%, Harvest, 3,661, $1,000, 10 yrs., 8%, Proswita, 3,457, $1,500, 10 yrs., 8%, Belleau Brook, 4,173, $2.500, 10 yrs., 8%, C. C. Cross & Co., Regina; Harptree, 628, $3,000, 10 yrs., 8%, Nay & James, Regina; Cupar, 972, $3,000, 10 yrs., 8%, Harris, Read & Co., Regina; Rockwood, 4,285, $3,200, 10 yrs., 8%, Regina Pub. School Sinking Fund, Regina; Nut Mountain, 4,184, $1,500, 10 yrs., 8%, Nay & James, Regina; Old Trail, 1,596, $2,000, 10 yrs., 8%, Regina Public School Sinking Fund, Regina; Gibson Creek, 645, $2,000, 10 yrs., 8%, Waterman-Waterbury Co., Regina.

Rural Telephones.—Bow Valley, $2,500, 15 yrs., 8%, Reford, $1,450, 15 yrs., 8%, Bonnie View, $1,000, 15 yrs. 8%, Torondal, $2,000, 15 yrs., 8%, C. C. Cross & Co., Regina; Northwood, $12,200, 15 yrs., 8%, Harris, Read & Co., Regina.

Rural Municialities.—Fertile Valley, No. 285, $5,050, 10 yrs., 8%, Sasman, No. 336, $5,250, 20 yrs., 8%, Harris, Read & Co., Regina.

Town.—Gravelbourg, $6,000, 30 yrs., 7%, C. N. McManus, Moose Jaw.

Regina Utilities Lose.

The City of Regina's revenue deficit for last year amounted to $73,705, of which $62,260 is attributable to losses on the operation of utilities. While the electric light and power department incurred a loss of $19,543 on last year's operations a surplus of $11,000 was made during the first two months of 1921.

ARREARS ARE $117,840 AT HUMBOLDT, SASK.

Heavy Losses Incurred In Operation of Public Utilities

The serious condition of the finances of Humboldt, Sask., is revealed in the balance sheet for the year ended December 31 last which is now available. The total debenture liability of the city is $519,378. Of this amount $117,840 represents payments in arrears as follows:

Principal past due, 1917	$ 8,991
Do., 1918	3,315
Do., 1919	13,637
Do., 1920	14,776
	$40,719
Interest past due	$ 77,121
	$117,840

There is in addition a bank loan of $50,670. Against these liabilities there are in addition to fixed assets current assets of $187,395, but of this amount $94,662 represents taxes receivable and $14,308 represents tax sale lands. Heavy expenditures are shown on waterworks, sewerage and light with no contra receipts, indicating that these utilities are being operated at considerable loss.

FEELS PROVINCE HAS DUTY TO BONDHOLDER

Alberta Has Bill to Appoint Administrator For Defaulted Towns

The Alberta Government is sponsor for a bill introduced into the local house providing for the appointment of an administrator to look after the affairs of any municipality in the province that defaults in its obligations, where the local council refuses to carry on. The bill is aimed to prevent a repetition of such an occurrence as happened recently at Athabaska, when the aldermen resigned in a body as a result of a disagreement with holders of bonds of the municipality that had been defaulted.

In speaking to the bill Hon. J. R. Boyle said, significantly:

"The province at large has a moral obligation in respect to the bond sales of municipalities and school districts, and because we some years ago adopted a policy of preventing the default of school bonds these securities of Alberta now sell the best of any such issues in the west. Where the credit of municipalities is involved the situation is one to be met by the people of the province, for these municipalities are the creatures of this legislature and the legislature represents the province. If there is default I think the province should step in and pay if necessary."

SCHOOLS A BURDEN

Non-Resident Pupils Expensive to Battleford

Non-resident pupils in the local public schools have been largely responsible for Battleford's financial problems, John Appleton, secretary of the Dominion Mortgage and Investments Association, learned during an investigation into that city's problems. At present the srhools of Battleford require each year a sum equal to the limit of the taxing powers of the town. There are 133 non-resident pupils, who pay nothing for their privileges, although the province makes a certain yearly contribution. The Local Government Board of Saskatchewan and the Department of Education are being asked by the bondholders to endeavor to work out a scheme under which the non-resident pupils will pay their share of the cost of their schooling.

ISSUING INTERIM RECEIPTS

Editor, Financial Post:—

I was interested to note a statement in a short article in the April 1st edition of THE FINANCIAL POST which went something like this:

> "It is against the ethics of bond dealing for a firm to issue its own interim receipts against bonds held by the bank."

This is without any question true, but I do feel that it might lead to misunderstanding in the sense that it is not bad ethics in any way for a bond house to issue its own interim receipts against the delivery by a corporation or municipality of the engraved bonds or the engraved interims. Oftentimes in the case of a corporation loan the purchasing bond house pays for the bonds and receives from the seller only the receipt for the money covering the entire issue.

TORONTO BOND DEALER.

Per Capita Debt, $278.

Regina's gross bonded debt at the end of December stood at $11,150,255 according to the city auditors. This means a per capita debt of $278 for every man, woman and child in the city.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date.	Place.	Sold to	Rate.	Term.	Amount.	Price.	Basis
April 13.	Aurora	J. M. Walton	5½%	20. in.	$ 27,060	93.97	6.28
April 13.	Burlington	United Financial Corp.	6%	15 & 20 in.	48,404	95.78	6.41
April 8.	St. John County	W. F. Mahon & Co., Eastern Securities Corp., Royal Securities Corp., and J. M. Robinson & Sons	6%	10 yrs.	100,000	98½	6.19
		CORPORATION					
April 11.	Brompton P. & P. Co.	Greenshields, Ltd., and Hanson Bros.	8%	20 yrs.	2,500,000	....	...

Personal Attention
We are not so small as to lack facilities—nor so large that the members of the firm cannot give personal attention to the details of every investment.
If a service of this nature interests you let us tell you more about it.
HOUSSER WOOD & COMPANY
INVESTMENT BANKERS
10-12 King St. East, Toronto

Increase the Return on Your Investments
Send for our circular describing Howard Smith Paper Mills bonds, which are being offered at a very attractive price.
R. A. DALY & CO.
BANK OF TORONTO BUILDING
TORONTO

$23,000
Toronto Suburban Railway
First Mortgage Debenture Stock, now Canadian Northern Railway.
4½% Bonds, due July 15, 1961. Interest payable Toronto and London.
Price, 66.49
TO YIELD 7.00%
MACKAY-MACKAY
Government & Municipal
BONDS
C.P.R. BUILDING - TORONTO

ANDERSON ROBINSON and COMPANY
INVESTMENT BANKERS
14 KING ST. EAST
TORONTO
CANADA

High Grade
Quebec Municipal and Industrial Bonds
Also
French Government Issues
L. G. Beaubien & Co.
Members Montreal Stock Exchange
50 Notre Dame St. West, Montreal
Branch Offices:
Paris Quebec Three Rivers

OUR GOLDEN JUBILEE
1871 - 1921
FIFTY YEARS OF SERVICE
Sun Life Assurance Company of Canada
Head Office: Montreal

UNION FIRE AND CASUALTY
Canada's *Zenith* Company
Authorized Capital - $500,000.00
WINNIPEG, MANITOBA
Underwriting
FIRE AND MARINE
Automobile - Plate Glass - Live Stock
Health and Accident Surety and Bonding

Automobile Insurance
Lowest Rates
Non-tariff
BEST SERVICE QUICKEST ADJUSTMENTS
Agencies in Provinces of Ontario, Quebec, Maritime Wanted.
R. C. SANBORN, GEN. AGENT, Eastern Canada
904 Royal Bank Building, Toronto

BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL
Canadian—Strong—Progressive
General Fire Insurance Business Transacted
Theodore Meunier, Manager

The Independent Order of Foresters
Furnishes a Complete System of Insurance
Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.
Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
Policies issued from $500 to $5,000. For further information and literature, apply to
Benefits Paid 66 Million Dollars
R. MATHISON, Secretary W. H. HUNTER, President
HEAD OFFICE - TORONTO

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
A Canadian Company Investing Its Funds in Canada
APPLICATION FOR AGENCIES INVITED
TORONTO: 29 KING ST. W. W. H. George, Superintendent of Agencies

THE MUTUAL OF CANADA DAY BY DAY
During the year 1920 the average payments in benefits of different kinds to beneficiaries and policyholders amounted to $11,500 FOR EVERY WORKING DAY throughout the year, a total of $3,492,830. Every year the payments have increased, the total made since the establishment of the company being over thirty-three millions. The funds in hand to guarantee future payments amount to forty-two millions—so that the company has either paid or holds in trust more than $75,000,000. This total exceeds the premium income by eight millions. These figures show that the Mutual Life of Canada is making good on all contracts entered into in past years. It is not only "making good," it is "making better" for the profits alone actually paid during the years since establishment amount to eight millions of dollars, a record of economy and service of which any life office might justly be proud.
THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA, WATERLOO, ONTARIO
HUME CRONIN, M.P., President - - - CHARLES RUBY, General Manager

Increased Protection for Depositors
The addition of $250,000 to our Reserve Fund out of last year's earnings increased that Fund to $6,000,000, which is equal to the Paid-up Capital.
Our depositors, therefore, have the protection of Twelve Million Dollars of Shareholders' capital.
Open your account with the institution that has been doing business in Toronto for more than sixty-five years and has safe-guarded and helped to increase the savings of many thousands of thrifty Toronto people, whose confidence it has had for this long period.
You will receive interest at
THREE AND ONE-HALF PER CENT.
per annum, compounded half-yearly—whether your balance be large or small.
Full privileges of cheque withdrawals.
Canada Permanent Mortgage Corporation
Established twelve years before Canada was born
14-18 Toronto Street Toronto

5½% Interest Return
INVEST YOUR SAVINGS
In a 5½ DEBENTURE of The Great West Permanent Loan Company
SECURITY
Paid-up Capital $2,414,863.00
Reserves 1,100,000.00
Assets 6,184,420.00
HEAD OFFICE, WINNIPEG
Branches: Toronto Regina Calgary Edmonton Vancouver Victoria Edinburgh, Scotland

INSURANCE AND REAL ESTATE

PILFERAGE EVIL EXTENDS TO ALL PARTS OF WORLD

Enormous Increase in This Class of Crime in Past Few Years

REMEDIES SUGGESTED

Thieving From Goods in Transit or in Ocean Ports—Shipowners Contract Selves Out of Liability

By an Australian Financier.

The alarming extent to which pilferage of cargoes is being carried on in all parts of the world continues to engage the serious attention of shippers, marine underwriters and others. A special committee of the London Chamber of Commerce has been investigating the subject, and has addressed a letter to the Home Secretary drawing attention to the enormous increase in this class of crime during the past few years. It was said that one shipping company alone is losing at the rate of a quarter of a million pounds per annum, which presumably means that they are losing that amount of goods entrusted to their care, but for which they legally may not hold themselves responsible. These robberies are certainly being carried out on a scale which points to their being the work of well organized gangs of thieves with carefully planned arrangements for disposing of their plunder. The police and detective forces of the Port of London are said to be quite inadequate to meet the situation, and it is urged that a special force be established to stamp out the evil.

A very similar state of affairs exists in Australian ports, where it is said that robberies are taking place to the extent of £500,000 worth of goods per annum. The matter was recently mentioned in the House of Representatives, and it has been suggested that a Royal Commission might be appointed to inquire into the matter, and if possible suggest a remedy. It is understood that the chief commissioner of police in Victoria already has the matter in hand, and if stern measures are adopted by the police departments and courts of justice throughout the states it should be possible to put an end to these practices, the continuance of which is discreditable to the community as a whole.

Standardize Bills of Lading

To some extent this subject is bound up with an agitation which was commenced in England before the war by the Associated Chambers of Commerce and is now being revived, for the bringing in of legislation to standardize bills of lading and prevent shipowners contracting themselves out of all responsibility for cargo placed in their hands. What is desired is an enactment on the lines of the Harter Act in America and the Sea Carriage of Goods Act in Australia, whereby any clause in a bill of lading relieving the ship, amongst other things, of liability for the proper custody, care or delivery of goods received by it is null and void. Some bills of lading contain a clause to the effect that the ship-owner shall not, under any circumstances, whatever, be liable for any loss or damage, including negligence, which is covered or is capable of being covered by insurance. This clause is wrong in principle, it being contrary to public policy that losses caused by negligence should be shifted on the shoulders of those who are in no way responsible. The hardship is not lessened by the fact that the loss may be covered by insurance. Insurance rates are proportioned to the hazard involved, and it is notorious that pilferage insurance rates have recently been largely increased owing to the losses incurred. Insurance helps to distribute the losses amongst the consignees as a body, but the cost is by them passed on to the public, who in the end are the real sufferers by the depredations.

Increased Vigilance

It is not contended that increased vigilance on the part of the shipowners would stamp out pilferage altogether, or that they should be made liable for losses which they had done all that an ordinary man could to prevent. Some degree of responsibility for the safe custody of the goods should also rest on firms or bodies having the control of wharves and wharf stores, who should take proper measures for the protection of property that remains in their hands until delivered to the consignee. It is true that if the primary responsibility for losses by pilferage were fixed on those having control of the goods they might protect themselves by insurance against this liability, but the underwriters would insist on the adoption of necessary safeguards, and would thus be able to do something towards reducing the hazard, which is impossible when they are dealing with the consignee, who is powerless to protect his goods until he takes delivery, by which time the mischief has been done.

Though these measures might hold to improve the position they would not in themselves be sufficient to frustrate the designs of experienced criminals, and we can only repeat that an urgent duty rests on the government to provide sufficient police to break up the gangs now at work and close up the avenues by which the stolen goods are disposed of. Steps should also be taken to prevent men who have been convicted of pilferage from resuming their occupation on the wharves and bringing their honest fellow-workers as a body into disrepute.

INSURANCE FOR THE PROFITS OF THE WHOLESALER

As Protection Against Loss Through Damage to Goods by Fire

SOME APPLICATIONS

By G. J. MALCOLM,
The General Accident, Fire & Life Insurance Co., From a Paper Read Before the Insurance Institute of Toronto.

One contract related closely to use and occupancy is "Profits or Commissions" insurance carried on the stock of a wholesaler or a commission agent. My quickest and, I think, most simple way of bringing out the points of this type of contract is to contrast two forms of it, one undesirable because entirely one-sided, and the other acceptable to the company and equitable to the assured.

Taking the objectionable form of contract first, I think I can explain very shortly what it is that is undesirable. The primary condition of the contract is:

"That if assured stock, or any portion thereof, shall be destroyed and (or) damaged by fire this insurer shall be liable for its pro rata share of 35% of the amount of the adjusted loss thereon which will be determined by the adjustment made with the various insurance companies insuring it against fire."

Shortly, then, the policy covers profits and commissions which are agreed to amount to 35 per cent. Plainly the form is a valued one and would not allow the insuring company any loophole whatever in the event of a slump in the goods covered such as we were all expecting at the time the contract was first written, and which has now arrived. Such a slump, of course, would mean that the profits realized by the assured on the goods placed in their warehouse months before might be reduced to a very low figure or might even be converted into a loss by the assured being forced to sell out at prices even less than their original purchase price. Moreover, it is not stated in the policy whether we are insuring "gross profits" or "net profits" and from the assured's point of view it is not necessary to state which, as the contract is merely to pay the assured a fixed percentage of the value of the goods destroyed, and, as Shakespeare said long ago, "What's in a name?"

Not a Contract to Indemnify

Perhaps you will appreciate the inequitable nature of this form better if I point out that there is no provision for a very probable fluctuation, which means that it takes no account of a very probable variation in the assured's loss, and, therefore, it is not a contract to indemnify, but, on the other hand, there is a very strong possibility of the assured making big money out of a loss by realizing a quick and abnormal profit.

For instance, most large wholesale houses turn over their stock three or four times in the year in the ordinary way of trade and assuming that the firm we are discussing can turn over its stock three times a year then it can count, on the average, on realizing a profit (on the stock in the warehouse at any one time) within four months. If they were to turn over their stock only twice a year, then the average period within which they may expect to realize on their stock is six months. This fact has a very strong bearing on our policy as it is obvious that if they can get back into business, that is to say, can restock their warehouse wholly or in part in a shorter period than

Continued on page 15.

LIFE INSURANCE AS PROVISION FOR INHERITANCE TAX

Drastic Demands of State Imposes Burden on Large Estate Owners

LAW REVIEWED

Woolworth Building in New York Mortgaged to Meet Succession Duties $8,000,000

The Woolworth Building in New York had to be mortgaged by the Woolworth Estate in order to help meet the state and federal inheritance taxes amounting to $8,000,000.

The trustees of the Frick Estate, of Pittsburgh, Pa. (amounting to some $50,000,000, and consisting largely of securities) had to market a considerable quantity of these in an unfavorable market in order to meet inheritance taxes.

These are outstanding examples of the drastic demands of governments upon the larger estates for succession duties. They serve to illustrate, too, the grave inconvenience imposed upon the beneficiaries of an estate where no adequate provision has been made for the state's requirements. Many Canadian business men are taking precautions to provide their estates with sufficient liquid capital to cover the inheritance tax, and life insurance is the most popular and convenient form of protection.

In a recent issue of the Canada Life News Bulletin the mode of the application of life insurance on behalf of succession duties and the intricacies of the Ontario inheritance tax are outlined through the medium of an imaginary conversation between an insurance agent and a prospect. The principles are applicable to every province in the Dominion. The questions on the part of the prospect and the answers of the agent will clear up the difficulties of many business men contemplating this form of insurance.

How would succession duties affect myself with an estate of say, $200,000 left to my wife?

Acording to the schedule of succession duties the tax would be approximately 6% and 3%, or $18,000. A life insurance policy to cover that amount would remove all difficulties.

Would the proceeds of this new policy, if made payable to my estate, be exempt from tax?

Would Exempt Policies

No, although the Ontario Government is being approached with the suggestion that such policies be exempt if taken for the express purpose of meeting succession duties and made payable to the provincial treasurer.

Suppose I made the policy payable to my wife or some other beneficiary, would it then be exempt?

No, and thus you see the necessity of taking these succession duties into your plans because your present life insurance might be required to pay the tax.

Is my present life insurance exempt?

Not unless the whole estate is exempt. Life insurance is included in the estate.

Suppose I have a monthly income policy, would the monthly income be exempt?

No, the government would ascertain the amount of insurance the policy represented, that is the commuted value, and would tax that amount.

If the policy were applied for by the firm or company of which I am an officer, I presume the proceeds would not be taxed.

In this case there would be no direct tax upon it, but you must remember that whatever your stock or share in the business amounted to would be included in your estate, and as the stock would be enhanced in value by the proceeds from the life insurance there would in that way be liability to succession duty.

Suppose there was a partnership and I insure the life of my partner and he insures my life?

In such a case there would be no tax provided you pay the premiums on your partner's life and vice versa. It would not be correct for you to pay the premiums on your own life and vice versa, because in that case the succession duty would apply.

Yes, and in the same way your own wife could take a policy upon your life because your death would be a financial loss to her, and the proceeds would not be subject to succession duties—provided she pays the premiums out of her independent and separate estate.

OFFICES
Childs Building
King at Yonge Street
Absolutely modern, high-class space, divided to suit tenant. Ready for occupation by September first.
Arrange now for your new executive offices.
Plans and information from
ROBINS LIMITED
(Members Toronto Real Estate Board)
Kent Building. Adelaide 3200

Assessment System
The Canadian Order of Chosen Friends
A Pioneer in Successful Canadian Fraternal Societies
Features:
Whole Family Life Insurance.
The best Sick and Funeral Benefits.
An up-to-date Juvenile Department.
Full particulars gladly furnished by corresponding with
W. F. Campbell, Grand Organizer, Hamilton, Ont.
J. L. Davidson, Grand Councillor, Toronto
W. F. Montague, Grand Recorder, Hamilton

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets Over - - - $8,000,000.00
Losses Paid Since Organization - - - $77,000,000.00
BOARD OF DIRECTORS: W. B. Meikle, President; Sir John Aird, Robert Bikerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Miller Lash, Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance
HEAD OFFICE - - TORONTO
BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Sir John Aird, Robt. Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Miller Lash, Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets over - - $4,300,000.00
Losses Paid Since Organization, over - $47,000,000.00

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.
Men of proven ability would do well to write for particulars of the Agency Contract the Company is prepared to offer. Several District Managers required to cover exclusive good territory at a number of Western points.
Branch Offices:
Saskatoon Calgary Vancouver
WILLIAM SMITH
Managing Director

The Mercantile Agency
R. G. DUN & CO.
Consult us before extending credit or if customers are delinquent.
Canadian Offices:
Halifax, St. John, Quebec, Montreal, Ottawa, Toronto, Hamilton, London, Winnipeg, Regina, Moose Jaw, Saskatoon, Calgary, Edmonton, Lethbridge, Vancouver, Victoria.
Address enquiries to
R. G. DUN & CO.
Dominion Bank Bldg. - Toronto, Can.

BRITISH TRADE RESULTS

Big Reduction in Unfavorable Balance This Year

Total British trade in March was £169,420,000, of which £93,740,000 was on the import side, £66,800,000 domstic exports and £8,880,000 re-exports. Imports declined almost £83,000,000 from March, 1920, and were £3,233,000 less than in February, 1921.

Exports, domestic and foreign, totalled £36,000,000 less than in March, 1920, but only £596,000 less than in February, 1921. Authorities view the figures as indicative of the approaching end of commodity price readjustments, and forecast fresh impetus to the export market.

Great Britain issued £22,800,000 new capital in March compared with issue of £69,500,000 same month in 1920.

Commercial tonnage passing through Panama Canal in March 1,112,818, and tolls $1,095,857, both new records.

CANADIAN STOCKS

Quotations of listed Securities on Montreal and Toronto Stock Exchanges, with prices at closing on April 12. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active.

Capitalization: Preferred	Capitalization: Common	Capitalization: Bonds and Debentures	Div. Rate	Yield to April 5	COMPANY	Range 1920 High	Range 1920 Low	Range 1921 to April 5 High	Range 1921 to April 5 Low	Close April 12 Ask	Close April 12 Bid	Week ending April 12 High	Week ending April 12 Low	Week ending April 12 Close	Sales
	5 000 000	8 107,500	4	10.66	Abitibi Power & Paper com.	87	49⅛	58	33	38	37	38¼	35	37	3,765
1,000,000			7	8.13	Abitibi Power & Paper pref	99	85	89	85	86	...	86	85	85¼	101
	6 594 300				Amer. Cyanamid com	36	33	29		...	...	...	...	...	...
994 200			6	10.00	Amer. Cyanamid pref	65	62	62	60	...	...	...	...	...	...
	3 500 000	1 473 666			Ames-Holden com	137¼	10	25	20	...	...	...	...	...	...
2,500 000			7		Ames-Holden pref	114¾	27	45⅛	27	...	...	...	...	...	...
	614 660	465 951			Amer. Salesbook com	7½	5	7	6⅛	27	...	27	26	26	37
3,073 300			7 1¾	9.03	Amer. Salesbook pref	83½	70	78	72	...	...	...	...	...	...
	3 000 000	2 940 000	6+2	8.21	Asbestos Corp. com	103	64	90	72⅛	79	76	77	76	77	67
4,000 000			7	7.77	Asbestos Corp. pref	108	83	96	88⅛	75	72½	73½	72½	72½	27
	3 500 000	1 345 000	10		Atlantic Sugar com	164	16	35	20⅛	89½	...	90	89½	89½	95
2,500 000			7		Atlantic Sugar pref	184	24⅛	34	...	30½	29½	30¼	29½	29⅞	535
8,483 500	27 450 000	69 314 045			Barcelona Traction	9	3⅜	5⅞	4	5	4¾	5	4¾	4¾	120
	22 336 300	16 649 000	8	7.76	Bell Telephone	111¼	100	112	99¼	104	103	104	103	104	258
	4 282 200		6	14.63	B. C. Fishing	66	34¼	46	38	41	40	41	40	40	90
10,000 000	106 566 300	77 192 132			Brazilian Traction com	51¼	28	36	30⅜	30¼	30	31⅛	30	30	2,984
	1,278 700		10	9.52	Burt. F. N. com	110	88	109	101⅜	105	103	104½	103	104	107
1,446 500			7	6.70	Burt F. N. pref	110	90	108	96⅛	105	103	104	103	103	20
2,000 000	7 000 000	2 193 000	7		Brompton Paper	85	42¼	57¼	33⅜	33⅝	33⅛	34	29¾	33	8,096
	2 500 000	1 146 872			Canada Bread com	32½	19	22	17	18	17⅛	18	17	17⅛	140
1 250 000			7	8.04	Canada Bread pref	86½	84	88	85	...	...	...	...	...	...
	4 975 000	7 757 822			Can. Car & Fdry com	74	29	43	30	34⅛	32½	33	32	32	100
7,500 000			7	10.44	Can Car & Frdy. pref	109	67	79	64	65	...	67	65	66	96
	13 500 000	6 346 260	6	10.34	Canada Cement com	75	54¼	67¾	56⅛	58	57	58	56½	57	1,016
10 500 000			7	7.65	Canada Cement pref	100	88½	94	90	...	90	91	90	90	51
	1 733 500	399 000	7	11.47	Can. Converters	80	71	65	58	63	60	63	58	60	175
	2 805 500	9 500 000			Can. Cons Rubber com.	100	87¾	...	...	...	...	...	...	...	...
3 000 000			7	7.00	Can. Cons. Rubber pref	95	92			...	...	...	...	...	...
	2 715 500	4 567 105	8	10.38	Can. Cottons com	100	71	80	72	75	74	75	75	75	70
3 661 500			6	7.77	Can Cottons pref	83	66	77	70	77	74	75	75	75	5
	960 000	173 200	12		Can. Forgings, com	257	75	...	...	...	...	...	...	...	...
960 000			7	7.60	Can. Forgings, pref	92	91			...	...	...	...	...	...
	8 754 400		8	7.40	Can. Gen. Electric com	109	93¾	117	94	110	109	110¼	106	110	707
2 000 000			7	7.10	Can. Gen. Electric pref	104	90	100¼	90	99½	98⅛	99	98	99	20
	2 000 000	1 500 000	8	9.87	Can. Locomotive com	100	80	86	81		...	...	...	...	...
1,500 000			7	8.33	Can. Locomotive pref	95	80	89	82½	85	...	84	84	84	2
80,681 921	260 000 000	271 934 882	10	7.87	Can. Pacific Railway	142	125	141	127	128¼	128	128⅜	127	128⅜	336
	1,200 000	356 000	8	9.09	Can Salt	147	85	89	87						
	12 000 000	7 979 619	7		Can. Steamships com	80¼	34	50⅛	23½	23½	23	25¼	21½	23	3,728
12 500 000			7	12.72	Can. Steamships pref	85	60½	74	54¾	53	52¾	55	49	52⅛	3,969
	1 200 000	128 331			Carriage Fact. com	49⅛	7½	20	12	...	...	10	10	10	55
1 200 800					Carriage Fact. pref	90½	72¼	65¾	65	...	...	...	...	...	...
	565 000		7	10.60	City Dairy com	62	50	66	55	...	...	...	...	...	...
700 000			7	8.53	City Dairy pref	99	85	82	80	...	...	...	...	...	...
	5 360 700		10	7.24	Consumers Gas	150	125	140	124¾	...	140	140⅛	139	140	86
	6 212 666		6	12.76	Crow's Nest Coal	59¾	40	55	45	55	50	54	54	54	10
	15 000 000	35 757 500	8	10.00	Detroit United Rly	113¾	79¼	96	80	82	80	80	78¾	78⅛	1,195
	6 500 000		8	10.00	Dominion Bridge	115	69	92	73½	...	76	80⅛	76	80¾	249
	2 797 000	1 339 800			Dom. Canners com	66¼	26	45	25	29	...	29	28	28½	50
2 290 600			7	8.91	Dom. Canners pref	90	79	80½	78	78½	...	78	78	78	5
3 000 000	15 000 000	5 864 500	7	9.03	Dominion Coal pref	97½	70	79	63½	...	77⅛	78	78	78	10
	4 250 000	1 683 363	6	10.52	Dominion Glass com	69	57	64	55	...	...	...	...	...	...
2 600 000			7	8.53	Dominion Glass pref	91	82¼	84	77⅛	81	80	81	81	81	5
5 000 000	25 000 000	13 434 313	7	10.00	Dominion Iron pref	92	65	76	68	...	71	70	70	70	83
7 000 000	37 100 000	20 450 682	6	14.28	Dominion Steel Corp.	82½	39	49	37	41¼	40⅛	42	40	41	2,917
	1 000 000		6	7.50	Dom. Telegraph	91¾	80	85	80						
	5 000 000	4 767 500	10	8.33	Dom. Textile com	146½	96⅛	122	104	118⅛	118	118⅛	118⅛	118	210
1 940 600			7	7.14	Dom. Textile pref	105	89	98	87	...	...	...	...	...	...
1 500 000	3 500 000	3 500 000	4		Duluth Superior	28	12	20	12¾	19½	19	21	19½	19⅛	435
	2 250 500	900 000			Goodwins com	35	26	25	25	...	...	...	...	...	...
1 750 000			7	10.00	Goodwins pref	95	75	70	...	...	...	...	...	...	...
	1 000 000	225 000			Holt Renfrew com	70	62	...	...	...	...	...	...	...	...
1,000,000			7	8.75	Holt Renfrew pref	85	80			...	...	...	...	...	...
	4 000,000	800,000	8	9.19	Howard Smith Paper com	167	74½	110	87	...	87	90	85	86½	1,245
1,500,000			8	9.19	Howard Smith Paper pref	107½	91	92¼	87	...	...	87	87	87	15
7,280,500			6	8.45	Illinois Traction pref	70	64	71¼	65	...	71	71	70	70	112
500,000	6,267,005		25c.		International Petroleum	82	20	...	...	...	...	...	...	...	...
	2,198,018	1,902,500	8	8.79	Kaministiquia	97	83⅛	93	88	92	...	92	92	92	5
	2,800,000	900.000	12	8.16	Lake of the Woods com	220	130	155	135½	...	145	145	143	143	45
1,500,000			7	6.79	Lake of the Woods pref	112	93⅛	103⅛	94	...	...	...	...	...	...
	9,600,000	565,778	6	7.05	Laurentide Paper	125	81	95	81	92½	92⅜	93	85⅛	91	4,342
1,300,000	1,750,000	934,900	8	11.76	Lyall Construction	99	35	75	47½	65½	65	65½	65	65⅛	20
2,388,600	3,000,000				Macdonald A. com	44¼	19	25	20	...	16	16½	15	16	230
	41,380,400		6	8.10	Mackay com	79½	67¼	80	69	72½	72	74¼	73	73¼	65
50,000,000			4	6.25	Mackay pref	74	61	65½	63	63	62	64	62½	62⅜	232
	2,500,000		12	8.88	Maple Leaf Mill com	196	133	146	130	...	...	...	...	...	...
2,930,000			7	7.21	Maple Leaf Mill pref	104	92	100	93	...	...	...	...	...	...
	1,275,000				Monarch Knitting com	75	60			...	...	...	...	...	...
750,000			7	8.75	Monarch Knitting pef	90	85	80	76⅝	...	80	80	80	80	5
	2,949,600		6	7.67	Montreal Cottons com	87	78	78	70	80	76	77	76	77	30
2,949,600			7	7.14	Montreal Cottons pref	105	90	98	87	98	97½	98	98	98	15
	64,126,100		5	6.05	Montreal L.H. & P. cons	90	76	86	81	...	82¼	82⅜	82	82	1,021
	2,000,000		8+½	7 07	Montreal Telegraph	124	110	118	110	...	112⅛	112	112	112	160
	3,861,070	36,608,153	10	7.38	Montreal Tramways	155	125	140	125	140	135½	142	142	142	25
	2,254,300	1,580,000	4	10.52	National Breweries com	70	39¼	56⅛	36⅛	39⅜	39⅝	40	36⅛	40	2,415
2,775,000			7	7.77	National Breweries pref	97	93	90	...	...	...	...	...	...	...
	2,000,000				Nat. Steel Car com	12	3	6	4	...	...	...	...	...	...
1,500,000			7		Nat. Steel Car pref	41⅛	21	28	22	...	...	...	...	...	...
	15,000,000	11,026,931	5	12.19	N. S. Steel & Coal com	80	33½	44	37	...	...	...	...	...	...
1,000,000			8	9.04	N. S. Steel & Coal pref	107	75	88½	80	...	...	...	...	...	...
	2,500,000	2,350,000	12	6.03	Ogilvie Milling com	280	175	214	180	...	203	205	203	203	117
2,000,000			7	6.93	Ogilvie Milling pref	105¼	97	101⅛	99	...	...	...	...	...	...
	750,000	538,200	8	12.69	Ont. Steel Products com	89	50	70	58	65	64	65	64½	65	50
750,000			7	7.95	Ont. Steel Products pref	89½	89	88	...	...	...	...	...	...	...
	3,500,000	2,825,000	6	8.82	Ottawa L. H. & P.	81	70	72½	68	69⅝	69⅛	69⅛	69⅛	69⅛	25
	650,000		2	5.55	Pacific Burt. com	42	30¼	36	34	...	...	...	...	...	...
650,000			7	8.97	Pacific Burt. pref	85	76	81	76	...	...	...	...	...	...
	2,150,600	2,000,000	8+2	7.9	Penmans Ltd. com	148½	93	103	95	100	95	100⅛	100⅛	100	4
1,075,000			6	7.05	Penmans Ltd. pref	91½	74	85	78	...	82½	82⅛	82	82½	30
	749,500				Port Hope Sanitary c	27	25	...	...	...	...	...	...	...	...
456,000			7		Port Hope Sanitary pre	42	30¼	...	...	...	...	...	...	...	...
	3,000,000	3,787,166	4	9 09	Porto Rico Rlys. com	50	28½	46	37	45	42	44	43	43	55
1,000,000			7	9 21	Porto Rico Rlys. pref	79	60	78	64	...	80	81	76	81	41
	8,534,200	5,372,098	8	3.96	Price Bros.	385	250	253	202	...	...	...	...	...	...
	3,500,000	565,000	6+1	6.18	Provincial Paper com	132	80⅛	102	87¾	...	...	...	...	...	...
1,700,000			7	7.95	Provincial Paper pref	100	85	88½	87¾	...	...	...	...	...	...
	9,999,500	11,045 000			Que. Railway L.H.	36¾	18	29⅛	22	26⅛	26	26¼	25	26	652
	4,500,000	5,909,400	10	9.30	Riordon Paper com	226	126⅞	160	103¾	109	106	109	106½	109	1,155
1,500,000			7	9.33	Riordon Paper pref	101½	83	80	75	...	...	...	...	...	...
	1,500,000	432,000			Rogers Wm. com	71	52	55	53	...	57	56	55	55	18
1,122,800				7.52	Rogers Wm. pref	102	80	94	85	...	88	88	87	87	12
	800,000		7	9.33	Russell Motor com	89	70								
1,200,000			7	11.76	Russell Motor pref	98	40	65	46	60	55	55	55	55	25
	1,500,000	423,483			Sawyer-Massey com	20	13	19	15	...	...				
1 500,000					Sawyer-Massey pref	67¼	35	54	45	49	...	48	48	48	5
	20,000,000	9,353,261	7	6.76	Shawinigan W & P.	119½	97½	109½	103½	103	102¼	103½	102	103	637
	4 000,000	2,226,006	6	7.05	Sherwin Williams com	119	75	88	72	85	80	80	80	8	25
3,425,000			7	7.36	Sherwin Williams pref	100	85¾	95	87	...	90	91	91	91	10
	8,750,000		8	6.15	Shredded Wheat com	142	130¼	130	125	...	...	...	...	...	...
1,250,000			6	6.12	Shredded Wheat pref	98	98	...	...	...	...	...	...	...	...
	8,000,000	8,511,166	7	9 72	Spanish River Pulp com	129	75	89¼	69⅛	73½	72	75	71	72⅜	1,457
8,571,493			7	8.53	Spanish River Pulp pref	149	82	95	79	83	82	84	81¼	83	798
	11,500,000	8,35 ,608	7	11.47	Steel of Canada com	88½	54¾	64	56⅛	59	58⅛	60⅛	58	58¼	983
6,496,300			7	7.60	Steel of Canada pref	01⅛	85¾	97	86½	...	90	92	90¼	90½	124
	1,200,000	160,590	6+1	10.52	St. Lawrence Flour com	139	59	75½	57	53	52¾	55	50	53	130
575,000			7	7.95	St. Lawrence Flour pref	98½	92	90	85	...	...	...	...	...	...
	7,899,900	47,000	8	8.00	St. Maurice Paper	170	123	120	95	...	102	105	105	105	25
	650,000				Tooke Bros. com	86	67	57	50	50	...	50	50	50	5
985,000			7	8.97	Tooke Bros. pref	91	83	78	75	...	...	...	...	...	...
	12,000,000	2,502,306			Toronto Railway	65	35	74	58⅛	67	66	66⅛	66	66⅛	351
	2,500 000		4	8.88	Tuckett Tobacco com	57½	41	52	41	47	...	45	45	45	25
2 000 000			7	8.64	Tuckett Tobacco pref	93	81½	83	81	...	...	80	80	80	5
3,000,000	22 000,000	20,213,000			Twin City com	49	31½	51⅛	43⅛	57	56	61½	53	55	1,224
	1,750 000	891 000	4	8.00	Wabasso Cotton	135	48	50	42⅛	...	...	50	47	47	5
	5,000,000	3,302,600	6	8.95	Wayagamack	150¼	71	89	64⅛	70	67⅛	70¼	64⅛	70¼	1,170
	2,449,588	1,371,552	8	6.40	West. Can. Flour	145	105	125	118	...	...	...	...	...	...
507 900	9,324 300	9,755 000			Winnipeg Rly	38	26	48	36	41	40½	41⅞	40¾	40¾	93
	1,500,000	600,000	1½	4.13	Windsor Hotel	100	70	145	120	...	...	...	...	...	...
	1,718,600	410,000	8	8.00	Woods Mfg. com	110	9½	...	...	...	...	...	...	...	...
1,546 500			7	9.21	Woods Mfg. pref	86	78¼	80	76¼	...	...	76¼	76¼	76¼	5

BANKS

Capital	Reserve	Div. Rate	Yield to April 5	BANKS	Range 1920 High	Range 1920 Low	Range 1921 to April 5 High	Range 1921 to April 5 Low	Close April 12 Ask	Close April 12 Bid	Week Ending April 12 High	Week Ending April 12 Low	Week Ending April 12 Close	Sales
15,000,000	15,000,000	12	6.48	Commerce	199⅛	173⅛	200	179¾	184	182	185	182	182	60
6,000,000	7,000,000	12	6.12	Dominion	206	190	204	191½	196	194	196	195	196	27
4,998,220	4,849,110	12+⅛	6.66	Hamilton	194	168	185	169¼	180	177	180	179	179	18
4,000,000	4,000,000	10	6.54	Hochelaga	158½	151	156	151	...	152	152	152	152	7
7,000,000	7,500 000	12	6.28	Imperial	200	184	191	185	191	190	190¼	190	190	34
10,029,622	8,400,000	12	6.74	Merchants	203	158	182	168	179	178	179¼	178⅛	179	213
4,000,000	5,000,000	12	6 70	Molsons	194	169	180	168½	180	178	178⅛	178	178½	23
22,000,000	22,000,000	12	5.76	Montreal	220⅛	185	212	195⅛	...	208	210	202	210	244
2,000,000	2,300,000	12	7.05	Nationale	174	162¾	174	165	...	180	180	180	180	2
9,700,000	18,000,000	16	6.25	Nova Scotia	273	243	265	249	256	255	257	257	257	45
20,134,010	20,134,010	12	5.97	Royal	238⅛	189½	208	193⅛	202½	201½	202	200½	202	116
3,802,001	4,800,000	14	6.96	Standard	222	200	205	198	...	202	202	201	202	43
5,000,000	6,000,000	12	6.55	Toronto	197	179	192	182	184	...	183	183	183	16
8,000,000	6,000,000	10	6 45	Union	161	139	160¼	146	155	150	156	153	153	63

LOAN, TRUST AND INSURANCE

LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div. Rate	Range for 1920 High	Range for 1920 Low	Latest Price Ask	Latest Price Bid	Last Sale
Canada Landed	[illegible]	10	150⅛	[illegible]	...	135	135
Canada Permanent	[illegible]	[illegible]2	17[illegible]	15[illegible]	...	175	176
Central Canada	[illegible]						
Col. Investment, pref.			[illegible]2			[illegible]5	75½
Dominion Savings			[illegible]	[illegible]	75	70	70
Great West Per.	[illegible]				140		69½
Hamilton Provident				[illegible]	141	141	140
Huron & Erie	+	+½	11 ½	[illegible]	112	...	112½
Landed Banking		[illegible]	[illegible]	[illegible]	...	137	137
London and Canadian		9	[illegible]	[illegible]	...	115	115

LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div. Rate	Range for 1920 High	Range for 1920 Low	Latest Price Ask	Latest Price Bid	Last Sale
Montreal Loan	12	...	165	155		165	155
National Trust	11	12	230	198	200	195	195
Ontario Loan	10	10	160	155	167	157	160
Real Estate Loan	7	7	95	92	...	...	92
Toronto General Trusts	10+1	12	211	196½	197	192	195
Toronto Mortgage	9	9	135	129½	...	132	132
Toronto Savings	12+2	12	...	...	...	...	185
Union Trust	7		...	...	...	100	100
Confederation Life	20	[illegible]	310	300	...	...	...

INSURANCE FOR THE PROFITS OF THE WHOLESALER

Continued from page 14.

their average turnover period, as explained above, then they will make a quicker profit than normally, and a fire is decidedly an advantage to them.

To put this another way—they might have a fire which would destroy their stock of some standard and easily replaced goods and we should be required, under this contract, to pay them 35 per cent. of the total adjusted fire loss on these goods. They could perhaps restock within two weeks of the fire and you will see at once that instead of having had to carry these goods a normal period of from four to six months in the warehouse before realizing on them they would make a quick sale to the insurance companies with an equally quick profit, and this, without taking into account the possibility of that profit being much higher than they could have realized in the open market.

An Overwhelming Advantage

In addition to all this they are saved all the expense of selling and shipping these goods, to say nothing of collecting their accounts, so that if they are insuring "gross profits" (and, as already pointed out, we do not know whether they are or not) they are in the best possible position for making big money out of a fire and no insurance company should enter into a contract with any assured, however reputable, which gives the assured this overwhelming advantage.

What makes the matter still worse is that it is very easy to draw a clear contract that is fair to both parties; that is to say, which enables the actual loss and consequent indemnity to be arrived at simply and equitably.

The contract is on "Profits and Commissions" of the insured on merchandise sold, or unsold, usual to the business of the assured, but there is no doubt about what kind of profits because the first condition of the policy states:—

"The purpose of this insurance is to indemnify the insured for loss of net profits and commission which the insured is prevented from realizing on the sale of merchandise herein described by its loss or damage by fire."

Here we see that the profits are limited to "net profits," the word "indemnify" is used, and, moreover, it is only such "net profits" which the assured is prevented from realizing that he can recover.

Still further limiting the liability of the insurance companies is the following clause:—

"Liability under this policy shall not exceed 11% of the amount of the loss by fire on such merchandise."

Far from establishing the unalterable liability of the company this clause fixes what would appear to be a very fair net profit as the absolute maximum collectible by the assured and makes it still more clear that he will have to establish the actual amount of his loss, but I think the best feature of the whole contract is that it is subject to what is practically a 90 per cent. coinsurance clause reading as follows:

"Liability under this policy shall not exceed a greater proportion of any loss than the amount of this policy bears to 90% of the profits and commissions that would be realized on all of the merchandise on hand at the time of the fire at the rate of profit and commission agreed upon in determining the amount of loss hereunder."

EXPENSIVE SWEET TOOTH

Sugar Imports an Immense Figure in U. S. in 1920.

The principal factors in the tremendous increase in the imports of the United States in 1920 were sugar in quantities greater than ever before irrespective of the exceptionally high price; also finished manufactures, of cotton, wool, silk, fibres, wood, iron and steel, and chemicals. Sugar imports, says a statement by the National City Bank of New York, were far in excess of any earlier year—over 8 billion pounds against 7 billions in the immediately preceding year, and an annual average of 5 billion pounds during the war period, this 1920 increase being irrespective of the fact that the average cost abroad of the year's imports was 12 1-2 cents a pound against an average of 5.6 cents per pound in 1919 and less than 5 cents per pound in 1918. The total cost abroad of this unusually large importation of sugar at phenomenally high prices was $1,017,163,456 against $394,280,434 for the sugar imported in the former high record year, 1919, the addition in the single item of sugar having thus been over $600,000,000 in 1920 and accounting for nearly one-half of the phenomenal increase shown in the 1920 imports as a whole.

World-Wide Banking

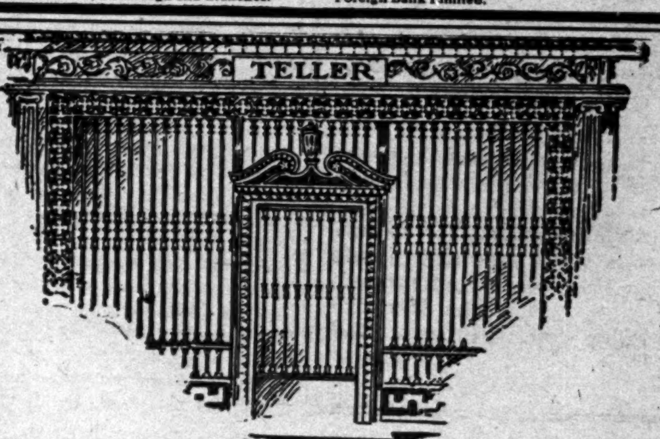
Do you engage in Foreign Trade? Then this Bank can be of great assistance to you.

Through the co-operation of correspondent Banks in all foreign countries, we are enabled to offer complete facilities for the prompt and accurate transaction of business the world over.

Let us furnish you with particulars regarding any foreign markets you are interested in. 340

IMPERIAL BANK
OF CANADA
216 BRANCHES IN CANADA.

Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND — The Commercial Bank of Scotland, Limited, Edinburgh and Branches. IRELAND — Bank of Ireland, Dublin and Branches. Agents in FRANCE: Credit Lyonnais, Lloyds and National Provincial Foreign Bank Limited.



When you open an account

however small, with The Bank of Toronto, you are assured of the careful, friendly service of responsible men trained in the business of banking and capable of serving your interests efficiently.

We invite your confidence—and value it. You will find our Managers and staff ready to give prompt attention to your individual needs, and the facilities and conveniences we offer embrace every department of modern banking business, including Travellers' Cheques, Letters of Credit, Drafts, Money Orders and Foreign Exchange.

Savings Accounts are given special attention at every Branch.

Our Safety Deposit Boxes are strongly recommended for the proper care of your valuable papers.

THE BANK OF TORONTO

Capital $5,000,000 — We Give Service — Reserves $6,986,354

Thos. F. How, *General Manager*

The New Twenty-year Capital Return Policy

(Issued by The Canada Life)

A Young Man and His Future

He takes his first step in business affairs, is examined by the doctor, and creates an estate of $5,000.

He improves the shining hour and impresses upon an important person that he is in possession of an "estate."

His tendency to save and invest is noted by his employers.

He finds his savings of great assistance in buying a home.—

And as time goes on he is enabled to enjoy many of the good things of life.

Absolutely guarantees the return at the end of twenty years of all annual deposits, with accumulated profits, after giving you insurance protection for twenty years.

Easily Understood:

1st. Deposits are made yearly. This is what you are *saving*, and at the end of 20 years the Canada Life *guarantees* the return of every dollar paid in.

2nd. Your life is insured from the day you make the first deposit,— for $5,000, or whatever amount you decide.

3rd. Profits are paid at stated intervals in addition to the return of all deposits at the end of 20 years.

4th. These profits may be used to reduce the amount of your yearly deposits, or be allowed to accumulate at interest for 20 years.

5th. The cash value of Policy and Profits represents a valuable asset, useful in business, and your "estate" is protected by the insurance.

6th. At the end of Twenty Years you can draw out all you have paid in, along with the profits—

---or---

you can draw a Special Cash Guarantee, together with the Accumulated Profits, making a substantial sum, and leave the $5,000 Policy fully paid for and continuing to earn Dividends as long as you live.

And in addition—

suppose some day before you reach age 60 you should become totally and permanently disabled through accident or illness. Immediately, all your future payments would cease and soon after you would receive a cheque for $50 each month as long as you lived and the $5,000 would be paid in full at your death without any deduction on account of the monthly income paid you. (This valuable feature is added for a small extra payment yearly, which is not returned along with the regular deposit).

Do Not Pass This By

Canada Life

Home Office
TORONTO
Canada

FILL UP— — CUT OFF— — MAIL TODAY—
Canada Life Assurance Company,

TWO
Taylor Safes
FOR SALE

One J. & J. Taylor Safe, inside dimensions 15" deep by 2' 6" wide by 3' 11½" high, and fitted with a built-in compartment. Price, $200.

One J. & J. Taylor Safe, inside dimensions 18" deep by 2' 9" wide by 4' 5" high, and fitted with a steel compartment. Price, $250.

Both these safes are in first-class condition, and the prices quoted above are considerably less than half what similar safes are selling for to-day. Any firms requiring a safe would do well to communicate at once with The MacLean Publishing Company, 143 University Ave., Toronto.

SIGNIFICANCE OF NEW SCHEDULE OF U.S. STEEL PRICES

Reductions Well Received in the Trade in Canada

SOME COMPARISONS

Quotations Showing How New Basis Works Out—The Effect on the Canadian Market

By A. R. KENNEDY,
Editor "Canadian Machinery."

The new selling schedule of the U. S. Steel Corporation has been pretty well sized up by the steel interests in Canada. The steel merchants are glad that the reduction went as far as it did, and at the same time they are pleased that it didn't go any further. In several cases the prices come close to some of the values prevalent in Canadian warehouses where liquidation of stock has been going on. It means that this movement can continue, and that the warehouses have already taken as large a percentage of loss as they will be called upon to make. If the reductions had been more drastic, it would have cut too much ground out from under the feet of a good many stocks in Canada, and demoralization would have followed, instead of some degree of stability which the market now feels.

Some Comparisons

Take bars, for instance. Some of the independents have done as low as two cents on these, and reports had it that the Corporation would go as far down as 1.75. Instead, the new price is 2.10 against 2.35, the former figure. At present rates of exchange this will mean about 3.16 laid down in Toronto, making the warehouse price around 4c, which can be regarded as fairly close to the present market. Of course, there will be profit for merchants at 4c, when they get shipments at the new price, whereas there is no money in it for them selling out high cost bars at 4c.

Structural and plate are again at a flat rate of 2.20 against 2.45 for the former and 2.65 for plate. Coming back to the same price is reverting to pre-war practice. During the war the call was for plate, and it got a premium price owing to the demand.

The Effect on the Market

A. T. Enlow, president of the Dominion Sheet Metal Corporation of Hamilton, a large buyer of sheets, believes the new prices will tend to stabilize the market. He holds that the independents and the Corporation will agree on prices. J. G. Near, general manager of Peckovers, Ltd., Toronto, was satisfied that the announcement would give some confidence in the market for the next three or six months at any rate.

The general feeling in the market was that the time was ripe for the Corporation to come out and make its schedule known. The trade had lost confidence in a large way and so-called price schedules. Even the U. S. Steel Corporation price was being allowed to sag in order to hold business. The attempt by independents, earlier in the week, to bolster up the market by withdrawing low figures on sheets could not succeed. There had been so many prices peddled in Canada that the buyers were dizzy, and when the trade arrives at the stage where no one believes that he is getting the best price, then buying is going to be on an ounce-for-ounce basis, covering absolute requirements and no more.

The Real Effect

No one is going to put forth the claim that the new schedule will mark the beginning of a buying movement. The Corporation itself could not expect that, otherwise they would have trimmed prices weeks ago. The real benefit is here—that a standard has now been fixed around which the markets and business of the future can be conducted and planned. With that accomplished, a big step has been taken toward bringing about a healthy feeling in the trade, where speculation and guessing have too long had preference over that necessary degree of confidence and certainty, without which the steel markets in general have simply been wandering around in circles.

The Financial Folly of Prohibition

The Toronto Globe vouches for the truth of this despatch

John D. Jr. Gives $5,000 to Enforce Prohibition
(Special Despatch to The Globe)
New York, April 3.—John D. Rockefeller, Jr., has given $5,000 toward the enforcement of the Volstead Act in Tarrytown.

TARRYTOWN is a quiet residential centre of 5,000 population, 50 miles from New York. For two years it has been, like the rest of the U.S.A., supposedly "bone-dry," but in reality so "wet" that a private citizen is putting up a dollar a head because the Federal State and local police cannot enforce Prohibition with their own resources.

PROHIBITION would inevitably cost Ontario millions of dollars to enforce. No Yankee oil-king would provide those millions. They would have to be taken out of your pockets in new and heavy taxation, for which you would get no return.

GOVERNMENT CONTROL would put into the Ontario Treasury a revenue of millions of dollars which unwise laws put in the pocket of the bootlegger. For nobody would patronize the bootlegger if any citizen could legally purchase a moderate supply of pure liquor at a fair price.

GOVERNMENT SALE of liquor for beverage purposes is impossible if you prohibit its importation or bringing into the Province—unless the Government engages in rum-running or competes with the bootlegger in the supply of the poisonous products of illicit stills and hidden breweries.

ONTARIO has to choose between wasting millions on such sham prohibition as they have in Tarrytown and all over the United States or else of depriving the bootlegging industry of millions for the benefit of the Provincial Treasury.

You are not asked your opinion on an abstract moral or religious question. You are asked to decide whether Prohibition is the wisest way to deal with the liquor problem. If you render your verdict in accordance with the evidence of a thousand such undisputed facts as that here reproduced from the Toronto Globe, you will

Vote "NO"

The Citizens' Liberty League

--a market of 60,000 in the Border Cities

(FORD, WALKERVILLE, WINDSOR, SANDWICH, OJIBWAY)

ONTARIO'S THIRD LARGEST MANUFACTURING CENTRE

Not a new market but a rapidly developing and important one—already an urban population of 60,000, and a rural population of 100,000—a market worthy of advertising development for any commodity.

A feature that makes this market doubly desirable is that its per capita spending power is second to none.

National advertisers when considering this field should multiply the regular per capita spending power by two.

Consult your agency about coming into this field, or write us direct for further information.

The Border Cities Star
WINDSOR ONTARIO
W. F. HERMAN, Proprietor
Also The Saskatoon Daily Star and The Saskatoon Phoenix

"SWISS" IMPORTS AROUSE SUSPICION

Show Remarkable Increase — Suspected of German Origin—Inquiry Sought

The suspicions of the Canadian Reconstruction Association have been aroused by the remarkable increase in "Swiss" imports into Canada from $1,400,000 to $11,857,272 in two years. The Government has been approached on this matter with the suggestion that an inquiry would be in order, with punishment for those who deliberately camouflaged the place of origin of goods, which in reality were produced in and shipped from Germany.

This incident recalls a similar experience in the United States, when immediately following the war there was a remarkable increase in imports into the United States from Scandinavian countries contiguous to Germany. Conditions have changed since, but the problem of trade control is aggravated by the circumstance that Germany has not yet acquiesced in a single definite term on which commercial intercourse should be conceded national license.

DIVIDEND PAYMENTS

Company.	Date.	Rate.	Record
Hollinger	Apr. 22	1	Apr. 7
Imperial Bank	May. 2	3+1	Apr. 16
Amer. Salesbook, p.	May 2	1¾	Apr. 15
Standard Bk.	May 2	3½	Apr. 18
Merchants Bk.	May 2	3+1	Apr. 15
Nipissing	Apr. 30	3	Apr. 18
Steel of Can., com.	May 2	1¾	Apr. 9
Do., pref.	May 2	1¾	Apr. 9
Penmans, com.	May 16	2	May 5
Do., pref.	May 2	1½	Apr. 21
B. C. Fishing	May 21	1½	May 9
H. Smith, com.	Apr. 20	2	Apr. 9
Do., pref.	Apr. 20	2	Apr. 9
McIntyre	May 2	5	Apr. 8
Canada Iron, pfd.	Apr. 28	2	Apr. 15
Montreal Tram	May 2	2½	Apr. 15

EXPERIMENTS IN SHIPBUILDING LEAD TO TROUBLE

Mistake Shown of Interfering With Private Enterprise

A POOR OUTLOOK

Minister of Marine Appears to Have Little Ground for Real Hope of a Profit Next Year

From Our Own Correspondent.

OTTAWA.—The efforts of the Minister of Marine to secure the passing of his shipbuilding estimates through the house is meeting with the most determined opposition. While it is doubtless a fact that, in the case of some members of the Opposition, this week's obstruction was not dictated entirely by a thirst for information, yet the fact remains that it has been a habit of the Minister of Marine, even more so than of the Minister of Railways, to present very inadequate details of the expenditure of the enormous sums of money for which they have come to Parliament. Some of the criticism of the financial statements of the operation of the Government Merchant Marine have been grotesque enough, as, for example, the taking off of the full depreciation from the profits of the current year in order to prove that a loss running away up in the millions had been made; but it must be admitted that the financial statements presented to the house invited criticism.

A Deflated Market

Apart from this, however, there is the general policy adopted by the minister—and apparently adopted in the face of general advice to the contrary—that the Government should retain and operate the ships instead of disposing of them. The minister made the statement in the house last year that his ships could have been disposed of at a profit. Possibly a few of them could have been; but it was the experience of one at least of the largest Canadian builders that to dispose of ships even last year was not easy. The firm mentioned built four ships for its private account as well as a great number of Government ships; but when it went to sell the ships built for sale only one could be disposed of. The others are now being operated at a loss; and the owners would to-day be willing to sell them at a reduction of 50 per cent., but cannot do so.

Shipbuilders also have a further criticism of the Government policy. They assert that the Government should have left the shipbuilding business to private enterprise as soon as the Imperial Munitions Board withdrew from the field in 1918. The Government at that time practically forced the Imperial Munitions Board out of the business and then forced private builders into building for the Government alone, at a time when private firms and individuals in all the countries of Europe were falling over themselves to place orders for ships with Canadian yards. The Government would not permit them to accept such contracts, although so far as the relief to the situation caused by the shortage of shipping was concerned, the effect would have been the same as building for the Government only.

Ships Now Building

The Opposition now says that the Government should cut its losses and drop construction on such of the sixteen ships now building as are not nearly completed. To carry out this policy in many cases would be difficult. Leaving out of the question the slump it would cause in the labor market, there would be other difficulties. There are, for example, two large ships building at Halifax, two at Vancouver and two or more at Prince Rupert. In the case of the Halifax and Vancouver ships there would be a threefold problem. They would either have to be left on the ways, run into the water and sunk, or dismantled. The builders would not likely consent to the first course; they would obstruct navigation if the second were resorted to; while it would probably cost as much or more to dismantle and tear them down if in an advanced stage of completion as it would be to complete them.

In the majority of cases, therefore, it appears best to finish the ships. The whole experience is a frightfully costly lesson in the folly of governmental interference with private business enterprise. Although the minister still continues to express a hope that there will be a profit shown next year, no shipping man conversant with the situation would agree with this for a moment. The loss to date is not the $20,000,000 or $40,000,000 which various critics would make it; but it is great and is likely to be very much greater during the coming year.—T. M. F.

The Classification of Long Distance Service

THE Classifications on long distance telephone calls in effect from midnight, April 20th, are of interest to all users of that service.

Station-to-Station Service Station-to-Station service should be used when you are willing to talk to ANYONE at a distant telephone — that is, when you do not need to get a *particular person* on the line.

Person-to-Person Service When you make a call specifying that conversation is desired with a particular person at a given number, *Person-to-Person* service is used.
As this service requires greater operating labor and circuit time than a Station-to-Station call, the rate is about 25% greater.

Appointment and Messenger Service *Appointment calls and Messenger calls* are special kinds of person-to-person calls.
An APPOINTMENT CALL rate, which is about 50 per cent. higher than the Station-to-Station rate, is quoted for service when an appointment is made by the calling party to talk at a particular time.
When a person who does not have a telephone is called over long distance and a messenger must be sent to summon the party to the telephone, the MESSENGER CALL rate, which is about 50 per cent. higher than the Station-to-Station rate, is charged, and to this is added the necessary messenger charges.

The Report Charge When you place a call for a particular person or persons and for any reason they cannot be reached the same day at the address given, or will not talk, or if you make a call and you are not ready to talk when the other person is ready within an hour, a REPORT CHARGE is made. The report charge is about one-fourth the Station-to-Station rate. It is intended to cover part of our expense of handling the uncompleted call.

Special Evening and Night Rates The EVENING rate, between 8.30 p.m. and 12 midnight, on Station-to-Station calls, is about one-half the day rate. The NIGHT rate, between midnight and 4.30 a.m., is about one-fourth the day Station-to-Station rate.
However, no evening or night rates are quoted on Station-to-Station calls where the day rate is less than 25 cents. On such short-haul calls the day rate applies. For longer distances special evening and night rates are quoted.
Because it is difficult to reach particular persons at night, when many are away from their homes and places of business, there are no special *evening or night rates* quoted for Person-to-Person calls. They apply only on Station-to-Station calls.

Every Bell Telephone is a Long Distance Station

THE BELL TELEPHONE CO. of Canada

"Via Marconi"

HALF RATE SERVICE 9c a Word

The Marconi Company announces the restoration of its deferred half-rate service to the United Kingdom, effective Saturday, April 9th. Deferred messages via Marconi can be filed only at Marconi and C.P.R. Offices.

The Marconi Wireless Telegraph Company of Canada, Limited
Head Office: Marconi Building, Montreal
1 ADELAIDE ST. E. - - - - - TORONTO

MOND NICKEL CO.

To Do Some Financing in Public Market

Announcement is made from London of the forthcoming 8 per cent. mortgage debenture stock issue of the Mond Nickel Co., Ltd., which will be offered for subscription at 98 to yield £8 3s 3d per cent. The issue will be secured by a specific charge on the British freehold and leasehold properties of the company, and a floating charge on the whole of the undertaking, property and assets, subject only to the £375,000 5 per cent. first mortgage debenture stock, and the status of such of the 6 per cent. debenture stockholders as may not convert their holdings.

Of the £1,300,000, £500,000 is reserved for these stockholders, in exchange for their present holdings. The stock will be redeemed in 1941 at 104 per cent., or any time after January 1, 1926, on three months' notice from the company.

CANADIAN PACIFIC

New York reports say that the late decline in the price of Canadian Pacific shares was apparently predicated almost wholly on the rumor which was circulated locally that the road was contemplating some new financing on a big scale.

PORTO RICO

The Porto Rico Railways Company reports gross earnings for the month of February amounting to $106,178 as against $100,172 for the same month in 1920, an increase of $6,005 or 5.9 per cent. Net amounting to $41,844 showed an increase of $4,839 or 13.2 per cent.

Everybody smokes

OLD CHUM

Canada's Favorite Pipe Tobacco.

BRITISH EMPIRE STEEL

The British Empire Steel Corporation announces that on April 16 it will deposit with the National Trust Co., Montreal, its fully paid cumulative 7 per cent. second preference and its common shares, amounting to $40,850,000 and $17,200,000 respectively, for exchange with the $43,000,000 Dominion Steel Corporation. Stockholders of Dominion common will transfer their holdings on and after that date.

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

VOL. XV. SINGLE COPIES, 10 CENTS. PUBLICATION OFFICE: TORONTO, APRIL 15, 1921 ANNUAL SUBSCRIPTION $5.00. No. 15

PREMIUM INCOME TAX AGAINST LIFE COMPANIES OBVIOUSLY DISCRIMINATORY AND UNJUST

Impartial Investigation Shows Life Insurance Unfairly Taxed in Comparison With Other Classes of the Community

ACTUALLY PAID BY POLICYHOLDERS

Not by Wealthy Corporations—A Tax on Those Who Are Voluntarily Taxing Themselves to Provide for Dependents—Life Insurance Managers Ask, Not for Exemption, But For Equity

By J. B. McKECHNIE,
General Manager Manufacturer's Life Insurance Co.

AT no time in the past, perhaps, have systems of taxation been subjected to such careful review and examination as that to which they are being subjected at the present time. The reason for this may be said to be twofold. (1) The unprecedented demands on public treasuries as a result of the war, and (2) a new recognition of the far-reaching social consequences of various forms of taxation and a desire on the part of state authorities to so adjust and distribute tax burdens that they may have the minimum effect on the many diverse interests of present-day society.

It, therefore, seems very appropriate to consider the relation of taxation to one of the more important of these interests—that of life insurance. Indeed, it is particularly appropriate at this time in view of the added importance which of late has been attached by the public mind to life insurance, to the value of which the remarkable expansion of the past two years bears eloquent testimony.

In certain quarters misconceptions seem to have arisen regarding the taxation of life insurance. In approaching the consideration of the subject it would be well if these misconceptions could be removed. Companies have been represented as desiring to be entirely relieved of taxation. Such is not the case, however. The management of the life insurance companies are under no misapprehension as to the need of the Provinces of revenue to carry on government, nor do they believe that any class should be allowed undue preference in the matter of taxation, nor are they asking for any special favors; but they do believe that after investigating the situation in an impartial manner, it will be found that life insurance is unfairly taxed in comparison with other classes of the community, and if the particular nature and functions of life insurance are considered, the disparity appears all the greater.

Premium Income Tax

There are certain taxes, licenses and fees imposed on life insurance companies just as there are on other corporations and it is not the intention to call these into question. The object of this article is to consider particularly the "premium income tax," that is a tax levied by most of the Provinces of Canada on the premium income of the companies. Out of every premium paid to life insurance companies by policyholders in those Provinces a certain proportion is taken for purposes of the Province, the proportion varying somewhat in the different Provinces, in some cases being as high as 2 per cent. There is no analogy to be found for such a tax, but it is much as if in the case of a bank a tax were levied on all amounts placed on deposit in the savings department.

Without reviewing the history of this form of taxation, it may be pointed out that there were two reasons why it was imposed. First, it no doubt seemed a very easy way to the legislators to obtain a substantial contribution to the treasury, and secondly, the idea has been common that just because life insurance companies accumulate a comparatively large amount of securities, it is a very profitable business.

It is indeed true that funds entrusted to the administration of life insurance companies are large and give the appearance of great wealth. It does not follow, however, that the companies are proportionately wealthy. Great accumulations of funds involve great liabilities. The great bulk of funds are trust funds invested in classes of securities strictly limited by law and subject to frequent government inspections. These accumulations have been made to offset the liabilities arising under life insurance contracts. It must be remembered that life insurance policies differ from other policies in that they cannot be terminated by the company nor can the premiums arranged for at the outset be increased. Contracts may continue for over fifty years and there are, in fact, cases existing where policies have continued for over seventy-five years. During all this time the policyholder is guaranteed that his premium will not be increased, and this is a privilege which tends not only to popularize the business but to relieve suspicion and anxiety as to the policy contract on the part of the public.

For these reasons proportions of the premiums paid in early years are laid aside to take care of payments to be made in the latter years. It is extremely important, therefore, that the true nature, origin and ultimate use of the funds accumulated by insurance companies should not be overlooked.

Elements of Premium

A life insurance premium is composed of two elements. Out of the premium of, say, $50 a year for an endowment policy, $40 represents in effect a yearly deposit in a savings bank account, while the balance of $10 goes to a fund to carry the risk against death. Now in regard to the first, is it not just as reasonable that a tax should be imposed on the deposits in a savings account as to tax these deposits that are made with a life insurance company? The Provinces do not tax the deposits in a savings bank. Why should they tax deposits when made in a life insurance company? As to the $10, it provides for the protection of dependents. Is there not even more reason that it should be free of taaxtion?

It should be pointed out that life insurance in Canada is conducted, with a few exceptions, on the co-operative principle as between shareholders and policyholders and the great bulk of insurance is conducted on what is known as the Participating Plan. That is, policyholders receive periodically a return of a large proportion of the amounts which have been received through them but which are not required to grant the protection given in their policies. The Insurance Act of

Continued on page 19.

THE HAZARDS OF GOLF!

"O many a shaft at random sent
Finds mark the archer little meant!"

Insurance for those who participate in the seemingly innocent and inoffensive game of golf! How many ardent golfists have had their pleasure marred upon the green by brooding thoughts of possible accident or casualty through the misdirection of a shot propelled by a novice in the game? An enterprising insurance company, however, recognizing the possibility of accident, are offering insurance as a partial monetary recompense for injuries sustained. Specific indemnities to be paid to the insured in case of accidental injury, while playing or while a spectator upon a golf course, are as follows: for loss of life, $5,000; for loss of entire sight of both eyes, $5,000, and for loss of sight of one eye, if irrevocably lost, $2,000.

It is stated that a great many golfists are displaying their lack of faith in the prowess of their fellow players by taking out insurance protection.

Insurance in 1920

THE year 1920 holds a unique record in insurance history in Canada. From the standpoint of the amount of insurance written and the losses recorded, for all branches of insurance, the year was distinctly favorable. A survey of the official statistics of the operations of companies doing business in Canada, which have been supplied to THE FINANCIAL POST through the courtesy of G. D. Finlayson, superintendent of insurance for the Dominion and which are published in this issue, will prove highly interesting and enlightening.

Perhaps the most remarkable development occurred in the life insurance field, as all circumstances were eminently favorable to attract public attention to the advantages to be derived from insurance of this nature. Insurance placed during the year reached the remarkable total of $630,110,900, which figure easily exceeds the previous high record established in 1919, of $517,863,639, or an increase of well over $100,000,000.

In the life insurance field not only was there a larger volume of insurance written to keep pace with the steadily advancing value of properties, brought about by the inflated cost of construction and the scarcity of all forms of accommodation, but unfortunately, too, losses were higher than for the previous year. A comparison with the fire record for several years past, however, shows that the losses for 1920 were considerably less than the averages for the previous years and taking into consideration the larger volume of property values the record may be regarded as favorable.

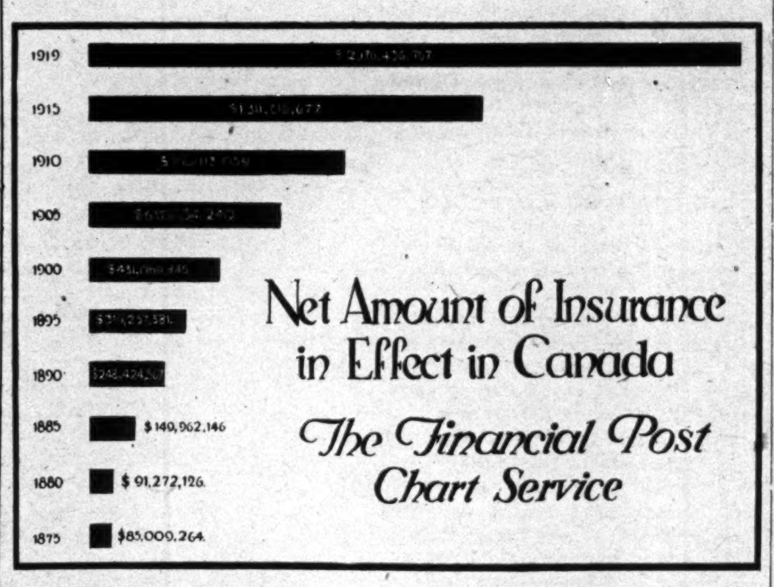
There was a steady growth in automobile insurance to keep pace with the increasing number of motor cars in use. For casualty insurance the feature here, as in fire, was the very large increase in premium income. This was due in part to the varieties of casualty insurance, which are constantly being devised and in part to the increase in the volume of premiums in branches such as automobile and burglary insurances.

Insurance companies are now, however, confronted with new problems, arising out of the turn of the tide of business, and it is therefore highly improbable that the present year will witness such broadscale developments as materialized a year ago. While new business appears to be offering fairly freely at the present moment, it is doubtful whether the volume being written is being maintained at as high a level as for the past year. One of the chief difficulties of the moment is the increase in lapse ratios. In recent years lapse ratios have shown a gratifying decrease, but during the present year, with business highly depressed, and the money market tightened up, there is a tendency on the part of policyholders who are lacking in foresight and imagination to allow their policies to lapse. This is particularly true with life policies.

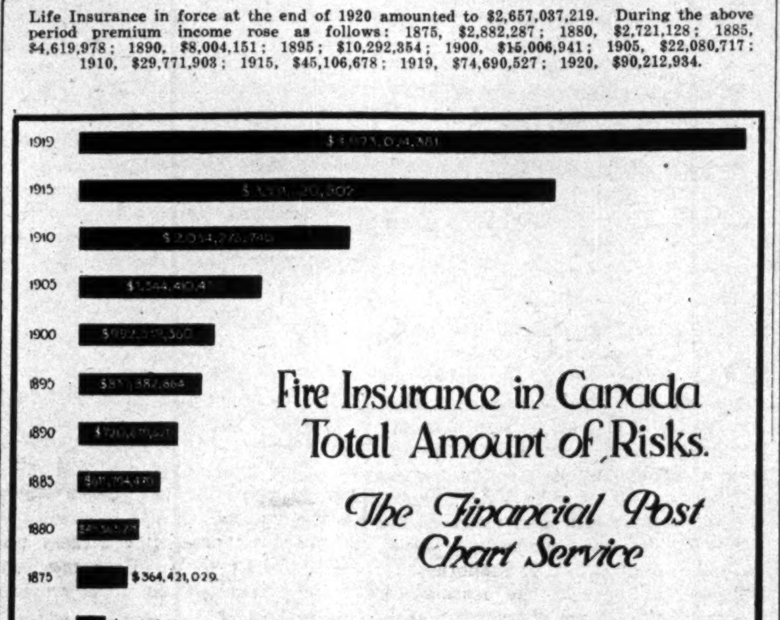
Fire insurance companies, too, are taking precautions to guard against over-insurance. For with property values tending downward there is a possibility that the amount of insurance carried in many cases will be out of proportion with what is regarded as the margin of safety by the companies.

As with every line of business, the insurance companies have entered upon a period of uncertainty. As pointed out, however, by Superintendent Finlayson a little while ago, in speaking of the life companies, "A reduction of the volume of new business for 1921 would not be an unmixed evil. It would give the companies a breathing spell, in which to accumulate surplus to restore the wastage caused by the war."

An interesting and favorable feature of the year is the fact that companies writing explosion insurance were not called upon to meet a single claim. In the past two or three years a fairly large volume of this class of insurance had been written, as a protection against riot and other forms of violence. Canadian labor, however, has proven its ability to withstand Bolshevik influence with the result that not a single loss from riot materialized.



Life Insurance in force at the end of 1920 amounted to $2,657,037,219. During the above period premium income rose as follows: 1875, $2,882,287; 1880, $2,721,128; 1885, $4,619,978; 1890, $8,004,151; 1895; $10,292,354; 1900, $15,006,941; 1905, $22,080,717; 1910, $29,771,903; 1915, $45,106,678; 1919, $74,690,527; 1920, $90,212,934.



Fire Insurance Risks in Canada at the end of 1920 totalled $5,971,330,272.

INDIVIDUAL EXPERIENCES OF COMPANIES WRITING AUTOMOBILE INSURANCE DISTINCTLY "BAD"

Suffer to an Unusual Degree From Losses Through Theft and Collision—Outbreak of Theft Accompanies General Increase of Crime

HEAVY ADVANCES IN RATES FOR 1921

In Many Cases 80% of Premiums Eaten Up in Theft Losses—Inefficient Police Methods Blamed—Remarkable Growth in Use of Automobile in Canada in Past Ten Years

By H. H. BLACK
Associate Editor, "The Financial Post."

How Automobile Insurance Has Grown

Year	Cars Licensed	Premium Paid	Average Per Car
1910	8,937	80,446	$9.00
1911	21,682	253,550	$11.69
1912	34,789	464,580	$13.35
1913	50,489	563,204	$11.15
1914	67,415	573,604	$8.51
1915	87,675	636,085	$7.25
1916	120,368	849,503	$7.06
1917	199,302	1,424,835	$7.15
1918	267,408	2,153,014	$8.05
1919	323,999	3,425,983	$10.59
1920	408,999	5,253,081	$12.84

THE experience of companies in insuring automobiles in Canada during the past year was an unfortunate one in two respects: theft and collision. The result is that there has been a heavy advance in rates for the 1921 season, approximating in many cases as high as 40 per cent. "Bad" is the usual word adopted to describe the individual experience, and the improved methods of co-operation that are now in force among the majority of the companies writing automobile insurance resulted in unanimity among them towards the higher rates. Three lines of coverage escape a higher impost: fire, property damage and public liability. In these the experience has on the whole been a fair one during the past year.

The outbreak of theft has been due to the general increase of crime, termed by the average New York paper as the "crime wave." Not only has there been a large proportion of cases where the stolen car has not been recovered, but, as always, the joy-rider, if such he be that stole the car, often leaves it by the wayside pretty well damaged. And a damaged car in these days is a very heavy load to the company that pays cash to the owner under an estimate, or who undertakes to repair the damage. For rates of garage men still run very righ. Deficient police methods are blamed by many insurance men for a large portion of the expense involved.

Across the Border

Then where the localities are near the border complaint is found with what is termed the "ridiculous" ease with which a thief may drive a car over the "line" without the customary call upon the customs officials or the immigration authorities. The highway between Canada and the United States is one of the most fruitful avenues of escape for the motor bandit, for it is this way that a close connection is maintained between the "higher-ups," it may be, in the United States and the "getaway" men in Canada. One other criticism offered by insurance men of police or customs methods is that a plea of "joy-riding" too often is accepted as an excuse for letting a man off entirely or mulcting him in a small fine even where the presumption seems clear that theft of the car was intended.

Losses 80 Per Cent. of Premiums

Hence it is that in many cases 80 per cent. of the premiums have been eaten up in theft losses, with collision as an almost equally heavy drain. This is a very serious condition, where 50-52 per cent. approaches the danger line. Among the districts mentioned as the worst are those of Montreal, Quebec city, Windsor, Winnipeg and Vancouver. Toronto seems to have earned the old sobriquet of "The Good" more fairly in this direction than in some others, for its experience in both sections has been fairly satisfactory. Windsor has been "promoted" into the class of Montreal as a very hazardous locality, while territory No. 2 covers Toronto, Hamilton, Sherbrooke, St. John, Halifax, etc., with the smaller cities in No. 3 and portions of rural territory divided between Nos. 3 and 4. As "theft" was thrown in as a risk, without extra charge, by many companies four or five years ago, the change in conditions is all the more notable.

Bonus for Careful Driving

The unfavorable experience in connection with collision during the year was a natural result of the big increase of cars in congested cities, coupled with reckless driving, and poor traffic supervision in many municipalities by the police. The penalty, of course, is that the careful driver pays a heavy advance in insurance rates for his 1921 season. Along this line the suggestion has been made by some insurance men that the driver who goes through the season without damage should have a rebate on his premium; this, however, would make it necessary to put into force a sort of surcharge on the driver who has "collided" and caused the company a loss, an obviously impracticable course to follow.

Cars That Thieves Prefer

The smaller cars have lived up to their reputations for popularity with thieves, and their rates have been raised again accordingly. There is a marked difference, for instance, between the Pierce-Arrow, the Stutz and some others of the same class, which pay only 30 cents per $100 for theft cover (up from 25 cents last year) to the case of $2.45 for new Fords, Chevrolets and others, over eight times as much.

The basis of fire risk premiums remains as it was established last year,

Continued on page 23.

$1,000,000 in Policies

A certain financial man in Canada (he would need to be one, surely) carries $1,000,000 in life insurance. His favorite class of policy is the 15-year limited life. His income is very large and his purpose in taking this type of policy was to have his insurance paid up by the time his most active—and highest earning—period of life had been completed.

GROUP LIFE INSURANCE CONTINUES TO HAVE LARGE AND IMPORTANT PLACE IN CANADIAN INDUSTRY

Despite Adverse Turn in Business, Compared With Conditions Prevailing One Year Ago—Policies Renewed Practically Without Exception

PRINCIPLE RECEIVES WIDE APPLICATION

Employers Outline Their Views Upon Group Insurance, Following a Year's Experience—Unanimous in Their Belief of the Benefits to Industry Following the Introduction of Such a Scheme

Group life insurance as a panacea for the labor ills attending a rising tide of industrial prosperity will have no place in the business schemes of the average Canadian industry this year. Group life insurance, however, as the fulfilment in a measure of the responsibility of the employer to those whose energies are spent in his service will have a large and important position.

The industrial situation has undergone a radical change from a year ago. To-day industry is stagnant; the volume of unemployment is large, and as yet shows no sign of abating. While workers are making a last, though hopeless, stand for higher wages, there are thousands who would be glad to receive work on almost any condition. The employee can no longer dictate terms to his employer. Whereas a year ago the supply of workers was inadequate to meet the demand, and employers were content to make radical concessions in order that the operations of their plant might not be interrupted, the situation has now undergone a complete change, and the employer is the arbiter in the matter of employment and wages.

How will the altered outlook affect the group life business of the insurance companies? Will employers, at a time when there is no difficulty in securing an adequate supply of labor, and when profits are dwindling, continue to keep their policies in force, and will other firms which have not already adopted the principle carry out their plans in this regard?

Group insurance has made remarkable strides in this country during the past year. Not only employers, but municipal and provincial governments and even societies and organizations with responsible heads have put the scheme into force on behalf of their employees or members.

Demand Revives

Insurance agents consulted intimate that following a period of inactivity and quiet at the close of the previous year and during the opening weeks of the present there has been a distinct revival with prospects pointing to a resumption of business on a scale as large as a year ago. Not only are companies which put the scheme into force last year renewing their policies almost without exception, but numerous inquiries are coming in from employers who are considering the adoption of some form of benefit plan. There is an unanimity of purpose now influencing employers in this regard, a genuine desire to promote the welfare of their employees in the manner which shall give the maximum of satisfaction.

Recently THE FINANCIAL POST submitted a series of questions to a number of employers who had adopted the group insurance scheme, with a view to determining the attitude of these employers for the benefit of others who may have some such plan under consideration. Among the queries submitted were the following: "Does the same motive that inspired group insurance a year ago still exist? Has the altered business outlook tended to alleviate any condition that group insurance was intended to remedy? Has the scheme been appreciated by the workers, and has your firm derived any tangible benefit? Is it a permanent institution with your firm or has it been adopted to meet some temporary emergency only?"

The following are among the replies:

J. Westren, General Manager Dunlop Tire & Rubber Goods Co., Ltd.

We believe group insurance is a good thing—good alike for employee and employer—and the best way we can prove that belief to you is to note that we have just renewed the policy for 1921.

There is tangible evidence that this insurance innovation is appreciated by our employees, and, perhaps what is just as vital, appreciated by their families. Viewed solely from the standpoint of labor turnover, we, of course, could not say that the same practical reason exists to-day that existed one year ago for a manufacturer inaugurating group insurance, but it is certain that the same reason which actuated this company in placing the insurance, namely, the increasing benefit accruing to the family of the employee by his or her length of service, still remains.

C. O. Stillman, President Imperial Oil, Limited

Our group insurance was established two years ago. We found that under the legislation then existing Canadian life companies were not permitted to write this class of insurance. After considerable delay we placed our insurance with the Equitable, of New York.

If we had no group insurance at the present time we would inaugurate such a department at once. Our motive was the welfare of our employees and an ordinary act of business policy, which had for its object the reduction of the large losses to industry due to replacements, in a word, with the hope to lessen the turnover of labor. A commercial reaction does not change our views, and in fact we are endeavoring to prove to our employees that we are as solicitous for their wellbeing at a time when labor is plentiful and jobs are scarce as we were when conditions were reversed. The plan was originally received with considerable suspicion, but that has worn away, and as payments to the dependents of deceased employees are made the plan is being better understood and appreciated. We feel that the relations between employer and employee are something more than a matter of wages and hours and in addition to the insurance plan we have an annuity, and a sickness, accident and disability plan.

R. S. Coryell, President Adams Furniture Company, Toronto

Our motive in taking out group insurance was different to that which usually actuates the purchaser. We are not concerned in this business with any union and had no labor unrest to consider, and this phase of the matter did not enter our calculations at all. We have on our staff a very considerable number of employees who have been with us for many years, in fact the best part of their working lives, and we considered it a privilege to have the opportunity of contributing in some way to their peace of mind and their estates in the event of death. We had been in the habit of making small annual grants to our employees and considered that this was a more useful contribution to make to our staff than gifts of more or less passing value. So we extended the offer of this insurance to our entire staff, except a few who had only been with us a few months, for amounts ranging from $500 to $2,000.

Our belief is from expressions from the staff that nothing we could have done could have been quite so much appreciated as this. We are entirely satisfied with the investment and feel that we are bound to profit by the sentiments our staff entertains towards the firm.

Wm. R. Breyfogle, Vice-President The DeLaval Company, Peterborough

We consider group insurance a permanency with us. It has a stabilizing influence with the employees which is value received in itself and is really giving the employee a financial interest in his position. We have no thought of discontinuing it. There has been but one death in almost two years, but at the same time we have evidence that the policies are held in great regard by our employees. It means a whole lot to a man who has no savings of importance to know that should anything occur to him his family are cared for, for at least a year.

A. F. Bell, Secretary-Treasurer City of Westmount

It would be correct to state that the same motives that inspired group insurance for the employees of the city of Westmount still exist, and that at present the altered outlook has no effect respecting the matter. We believe that the workers are appreciative of the benefits derived. As it has been in effect less than a year with us we cannot speak positively of tangible benefits accruing to the municipality. I believe that members of the council intended it as a permanent institution and not as a temporary one to meet an emergency.

The same motives which should have inspired employers to adopt a group insurance plan a year ago, or even before the war, still exist. Complications which arose during the war only served to emphasize some of the needs for it and accentuate its adoption.

We cannot see that the altered business outlook alleviates any condition that group insurance was primarily intended to remedy. The plan has been appreciated by the workers in our organization, but the extent to which such a plan is appreciated by employees depends very much—first, upon the nature of the plan; second, the purpose for which it is adopted—that is the motives which prompted its adoption, which ultimately became more and more apparent; third, the manner in which it is administered. Another important factor: the manner in which the working of the plan, purposes, etc., are described to the employee.

Group insurance as now written has been steadily increasing in volume during the past ten years. It was first written in the United States in the 50's, we believe, but at that time for the purpose of insuring groups of immigrant workmen coming to the country, so that the thing from an underwriting viewpoint is not entirely new, although the purpose for which it was first adopted is not at all comparable to those for which it is now employed.

Col. C. H. L. Jones, General Manager, Spanish River Pulp and Paper Mills, Limited

On February 21st, 1921, we placed our employees under group insurance system based upon length of service. Our group insurance plan is part of our industrial relations program. We believe that it is to the advantage of the company and to the individual employee that he remain with the company permanently. There are certain principles which we are attempting to work out in our organization. Continuous and faithful service covering a period of years is fundamentally necessary, we believe, if the success we desire is to come.

The same motive which inspired our taking our group insurance a year ago still exists to-day. The reduction of labor turnover by the introduction of group insurance was merely incidental. Of course, the altered business outlook with the coming of unemployment has automatically reduced labor turnover. Our employees have appreciated this insurance very generally, and in addresses by employee representatives at our president's annual banquet voiced this appreciation. We believe that group insurance in so far as Spanish River is concerned is a good thing, and, unless something untoward happens we are inclined to believe that group insurance does not merely meet some temporary emergency but is with us as a permanent institution.

Believing as we do that now is the time for employers to build up an esprit-de-corps in their organization, we feel that the introduction of group insurance by organizations not having it at the present time would be wise.

FOREST FIRE PROTECTION

Effectiveness Emphasized by Experience of Laurentian Association

A review of the annual report of the Laurentian Forest Protective Association shows some interesting features. The area covered by the protection staff was 7,795,507 acres, at a cost for patrol of .006 cents per acre. There was a total of 105 fires, 53 of which burned over one acre or less. Merchantable timber destroyed included 3,160 acres; young growth, 1,570 acres, and previously burned and slash land burned over included 9,789 acres, or a total of 14.519 acres burned over. Fires occurred in May, June, August and September only, the greater number being in June; heavy rains in July accounted for absence of fires in that month.

A classification of causes of fires places responsibility for the greater number of those occurring from known causes upon the settlers, with lumbering operations second and railways third, with 10.5 per cent.

This report emphasizes in a striking manner the effectiveness of forest fire protection. It is an old axiom that "all fires are the same size at the start," and it is only lack of opportunity that prevents each becoming a large one; the fact that over 50 per cent. of the fires were confined to one acre or less demonstrates the efficiency of the protective patrol. Credit is given by R. L. Seaborne, the efficient manager of the association, to the clergy of the district for valuable co-operation in impressing upon their church members the importance of exercising the greatest care with fire in the woods.

LIFE INSURANCE MAKES UP 40% OF ESTATES PROBATED

This Figure for Canada Compares With 85% for United States

VALUABLE ASSET

Financial Achievements of Life Insurance Companies Challenge the Imagination—Some Observations.

By JUDGE R. H. MYERS, of Winnipeg.

From an address delivered before the Winnipeg Life Underwriters' Association.

One of your distinguished colleagues from across the border has said that "life insurance is financial faith well founded; it is hope made certain by fruition; it is charity eclipsed by lack of want, and human love made immortal by the tokens it sends back from beyond the grave. Life insurance is the last word that civilization has been able to spell out from the alphabet of its experience throughout mankind's age-long groping for a practical human brotherhood. From the first whisperings of time men have instinctively sought protective co-operation one with another."

Truly this is a most charming epic on the subject of your daily avocation. My purpose is not to talk to you about life insurance, however, but rather to present a few facts and suggestions founded upon my knowledge and study of the law during a long period that might be helpful.

By the efforts of life underwriters' associations the attention of business men has been brought to the important fact that life insurance has outgrown its original purposes of family protection alone, and has now become a reliable resource upon which business men may lean in time of emergency. The financial achievements of the life insurance companies are so vast as to challenge the imagination. Canadian policyholders have increased from two hundred and forty-two thousand to three millions during the last twenty-five years and insurance in force from $308,000,000 to $2,188,000,000. We are informed that our Canadian life companies loaned the federal Government for war purposes $182,538,350, and were prepared to advance $50,000,000 more if desired. We are advised that in the United States 85 per cent. of the assets of the estates probated consists of life insurance, whereas in Canada the percentage is less than 40 per cent. So that the Canadian life underwriters have a splendid field of opportunity.

The Insurance Act

The Insurance Act of Canada imposes restrictions and conditions on the methods of business and in the actual wording of the contract for the alleged protection of the public that reminds me of the attempts made by myself and other legislators in Manitoba thirty years ago in our frantic efforts to protect the farmer against the implement agents, machine peddlers, loan companies and others.

However, the very fact of the safeguards being enacted should enable the salesman or agent more easily to convince a prospect that parliament had set its seal of approval on his merchandise and therefore the prospect was assured of a wise bargain. These provisions are found in the Act of 1917, and I will simply call your attention to the subject matters dealt with: (a) Policy deemed the whole contract; (b) agent of company not to be agent of insured; (c) no estimate or illustration or statement of the dividends or shares of surplus expected shall be made or issued; (d) rebates, discriminations, etc., forbidden; (e) quinquennial distribution of surplus and profits; (f) form of policy to be approved, etc.

And finally a policy shall be incontestable after two years except for fraud or non-payment of premium. This enactment increases the reliance that companies must place upon their field forces in avoiding fraud at the inception of the contract.

The Income Tax Act

Another federal law, "The Income Tax Act," has this provision of interest to all agents. There shall be a tax upon the income from, but not the proceeds of, life insurance policies paid upon the death of a person insured, or payments made or credited to the insured on life insurance endowment or annuity contracts upon the maturity of the term mentioned in the contract or upon the surrender value of the contract.

The managers of our leading trust companies unite in testifying that life insurance is an invaluable asset in the administration of estates.

Commercial Union Assurance Co.
Limited, of London, England

Capital Fully Subscribed	$ 14,750,000
Capital Paid Up	7,375,000
Total Annual Income Exceeds	75,000,000
Total Funds Exceed	209,000,000

Head Office Canadian Branch
COMMERCIAL UNION BUILDING - MONTREAL
W. S. JOPLING, Manager. H. J. KERR, Asst. Manager.
Toronto Office: 49 Wellington Street East
GEO. R. HARGRAFT, General Agent for Toronto and County of York
Branches:
Winnipeg, Man.: John Holroyde, Mgr. Vancouver, B.C.: A. W. Ross, Mgr.

First British Insurance Company Established in Canada
A.D. 1804
Phoenix Assurance Co., Limited
OF LONDON, ENGLAND (Founded 1782)
FIRE LIFE MARINE

TOTAL RESOURCES, over	$ 97,000,000.00
CLAIMS PAID EXCEED	500,000,000.00
DEPOSITS with Federal Government and Investments in Canada, for security of Canadian policyholders only, exceed	3,000,000.00

AGENTS WANTED IN BOTH BRANCHES. Apply to
R. MacD. PATERSON
J. B. PATERSON } Joint Managers
100 Francois Xavier Street - Montreal

Palatine Insurance Company
LIMITED
OF LONDON, ENGLAND

Capital Fully Paid	$1,000,000
Fire Premiums, 1918	3,957,650
Total Funds	6,826,795

In addition to the above there is the further Guarantee of the Commercial Union Assurance Company, Limited, whose funds exceed $209,000,000.
Head Office:—Canadian Branch
COMMERCIAL UNION BUILDING, MONTREAL
W. S. JOPLING, Manager. H. J. KERR, Asst. Manager.
Toronto Office:—60 KING STREET WEST
JONES & PROCTOR BROS., LIMITED, Agents.
Branches:
Winnipeg, Man.: John Holroyde, Mgr. Vancouver, B.C.: A. W. Ross, Mgr.
Maritime Branch, St. John, N.B., F. C. Mortimer, Mgr.

London & Scottish Assurance Corporation Limited of London, Eng.
Established in Canada 1863
ALL CLASSES OF LIFE ASSURANCE TRANSACTED

Scottish Metropolitan Assurance Company Limited
FOR FIRE, ACCIDENT, SICKNESS, GUARANTEE, AUTOMOBILE
EMPLOYERS' LIABILITY, PUBLIC AND TEAMS LIABILITY, MARINE, ETC.

HEAD OFFICES FOR CANADA: London & Scottish Building, MONTREAL
Total Funds and Assets Exceed $32,500,000
Manager for Canada, ALEXANDER BISSETT
BRANCHES AND AGENCIES THROUGHOUT CANADA

BRITISH COLONIAL
Fire Insurance Company
MONTREAL
Canadian—Strong—Progressive
Fire Insurance at Tariff Rates

THE "STRAIGHT-LIFE" POLICY WITH MAXIMUM OF PROTECTION IS GROWING IN POPULARITY

Many Insurance Men Believe That Before Many Years the Percentage Will Run Far Beyond That of "Limited Life"

FOR DEPENDENTS OF ASSURED

Experience of Two Canadian Companies Shows That all Life Runs About 30 Per cent. of Total, and Limited Life Close to 50 Per Cent.—Whole Endowment About One-Fifth of Total

A Canadian multimillionaire whose advice is sought frequently by insurance companies when large sums are seeking investment believes in no other form of insurance policy than the all—or straight—life with annual dividends; he will not admit any argument for the limited life or endowment policy. Insurance he views as a form of protection for dependents of the assured; therefore, get the maximum amount of protection for the premiums one can pay year by year.

Most of All-Life Coming?

There are many insurance men who believe that the main trend of life insurance is towards the "straight life" and that before many years are over the percentage will run far beyond that of "limited life," endowment and short term taken all together. The swing of the pendulum, for a time, they argue, in the case of young men, was rather towards life insurance as an investment for the assured; now even young men who look forward to marrying can readily be persuaded into an all-life policy: maximum of protection for lowest cost per thousand.

Statistics Contradictory

Statistics are peculiarly contradictory in regard to the relative popularity of the all-life and limited life forms of insurance. THE FINANCIAL POST asked the Sun Life and Canada Life companies for statistics based on the number of policies written in 1920 in the various classes. The results in each case showed a remarkable similarity as the details indicate.

How Policies Compare

P.C. of Policies 1920	Sun Life	Canada Life
Whole Life ..	31%	29%
Limited Life..	47%	*46%
Total Life ...	78%	75%
Endowments ..	20%	†21%
Term	2%	4%

*Divided thus: 20-payment, 41%; other limited payments, 5%.

†Divided thus: 20-payment, 8%; other endowments, 13%.

In each case whole or all-life runs about 30 per cent. of the total, and limited life—particularly if "term" insurance is included—runs close to 50 per cent., while endowment is about one-fifth of the total; that is in number of policies, and therefore in "popularity." Sun Life figures where percentages cover not number of policies but amount, work out as follows for three different years:

Varying From Year to Year.

	1920	1919	1914
Whole Life	39	36	41
Limited Life	41	46	48
Total Life	80	82	89
Endowment	16	15	11
Term	4	4	0

Now here is the rather confusing point: in 1914 whole life was 41 per cent. of the total written, in 1919 only 36 per cent., but in 1920 39 per cent. Limited life showed a decline, with endowment slightly higher in 1920 than 1919 and considerably up over 1914. A comparison of the amount of the policies rather than the number, for the same company for 1920 shows a wide variation.

Number vs. Amount

1920	No. of Policies	Amt. of Policies
Whole Life	31	39
Limited Life	47	41
Endowment	20	16
Term	2	4

This latter comparison seems to indicate that when the amount of the policies is considered, the larger policies run to "whole life" rather than "limited life"; that is 31 per cent. of the total number of policies covers 39 per cent. of the total amount of insurance effected, while 47 per cent. of the number of policies amount to only 41 per cent. of the total.

Thus for "popularity" the limited life is easily ahead, but wealthy men tend more towards the all-life.

Where the Agent Counts

A third company supplied its figures for Montreal city and Quebec province as a whole. The head in this case is an enthusiastic "limited life" man; hence his agents tend to concentrate their efforts to unite this type of policy with the result that "limited life" business is over five times all-life and over 7½ times endowment. The figures are:

Strong for Limited Life

	Montreal	All Que.
All-life	14	21
Limited Life	76	69
Endowment	10	10

In this case the endowment stands a very poor third, at 10 per cent. for city and province as a whole.

Endowment Running Around 21 Per Cent.

One more set of figures may prove illuminative—or the more confusing, perhaps, if an effort is made to prove a really conclusive case for either form of life policy. These figures are taken from the complete returns of the Insurance Department at Ottawa covering the only distinction that is given: life, in one group; endowments, etc. This shows the exact percentage of 1913 repeated in 1919, that is endowments in each case run 30 per cent. of the total amount of life written in each year. This does not show any material decline in endowment insurance, however the feeling of the average insurance man may be in this direction. The percentages for the 10 years compare as follows

How Endowment Keeps Up

*Year	P.C. of Life.	P.C. of Total
1919	30%	21.4%
1918	37%	25.0%
1917	31.4%	22.4%
1916	30.5%	21.4%
1915	32%	21.8%
1914	29.3%	20.5%
1913	30%	17.3%
1912	26%	18%
1911	28.4%	21.8%
1910	33%	....

*From Insurance Department reports.

Favoring All-Life for Protection

An insurance manager who favors the all-life policy outlined his views thus: "Take a young man at the age of 25. First, a 20-year endowment policy with profits would cost him $47.30 a year, or $946 in the 20 years. Then he would receive $1,000 plus profits. A 20-pay policy would cost him $28.50, and there would be a guarantee of $518 at the end if he wished to withdraw cash, or $1,000 paid-up policy to the end of his life.

He could double his premium, say $57 a year, and receive $2,000 protection all the time, with a guarantee of cash surrender value of $1,036, or $2,000 paid-up policy; surely very much superior to the endowment; or

He could take an all-life, paying $20.80 a year for protection. He could pay $41.60—considerably less than the premium on the endowment and get double the protection within the twenty years."

Yet for all that the endowment policy retains its attraction for a young man in its somewhat heavy premiums, but the guaranteed cash value at the end of ten, fifteen or twenty years: an assured means of saving when marital life has not yet suggested to him, as it may do later, the advantage of protection as against an investment as such.

After all, the choice of a particular form of policy rests to a great extent with the insurance agent. The young man at all events sees advantages in each and all, and the recent decision of one company—which probably will be adopted by many—to leave the choice as to the final form a policy shall take until five years after the first premium is paid and protection starts, appears to be one of the shrewdest moves that has been made to grant the assured the widest measure of freedom along with a reasonable period of "probation."

Record of Life and Endowment for Ten Years

	Written During Year. Life	Endow't.	Total	Total in Effect End of Year. Life	Endow't.	Total
1919	$408,280,460	$122,387,572	$572,906,085	$1,587,767,675	$488,813,886	$2,221,419,031
1918	235,183,369	87,878,275	346,737,868	1,281,679,902	414,206,226	1,813,955,612
1917	208,038,362	66,242,851	294,970,257	1,133,142,561	365,472,352	1,609,129,292
1916	175,545,417	53,544,527	250,225,399	1,005,047,771	330,739,026	1,442,526,193
1915	180,866,868	57,860,705	266,012,988	922,446,924	308,626,250	1,331,966,724
1914	166,509,848	48,758,714	238,249,754	872,785,696	293,328,533	1,262,819,274
1913	173,595,586	52,454,294	254,447,447	819,963,811	280,539,582	1,190,879,337
1912	162,620,093	42,253,027	243,765,443	742,568,650	259,554,691	1,089,125,830
1911	128,623,232	36,499,945	195,447,625	651,404,845	241,825,409	963,745,901
1910	110,470,057	36,366,983	166,500,864	581,576,986	227,344,790	867,260,289

PREMIUM INCOME TAX OBVIOUSLY DISCRIMINATORY

(Continued from page 17)

Canada provides that the portion so returned must be at least 90 per cent. of the total. A most elaborate system of accounts has been set up and an annual investigation is made of each company by the Insurance Department to see that this provision is carried out. Evidence of these refunds can be obtained by reference to any of the Government Reports on Life Insurance Companies in which are given particulars of the large amounts refunded each year to policyholders in Canada. It has been estimated that if the premium-income tax were eliminated these refunds to policyholders would be increased by about 20 per cent.

The amount of shareholders' capital in a well established life insurance company bears a very small relation to the funds of the policyholders, running as low as ½ of 1 per cent. The shareholders have risked their capital in the establishing and developing of the company and in most cases, while still being under a liability to the extent of the uncalled subscribed capital, are allowed a small percentage, limited by law, of that proportion of the premium saved by a favorable mortality rate, etc., the balance being refunded to the policyholders.

Paid by Policyholders

It is therefore, evident, that the tax on life insurance premiums does not ultimately come out of wealthy corporations but is actually paid by policyholders. Taxing life insurance premiums is a tax on those who are voluntarily taxing themselves to provide for dependents in the event of their death. The careful man who by self-sacrifice provides that his dependents will not become a charge on the state, has not only to help support the poor who are not so protected but is actually taxed in addition directly on account of his forethought. Even the poor man, struggling to keep up a policy for, it may be $250, in order that he can leave some provision for his wife and family after his death, must bear a share of this tax since it is based on premium income. Why should this be? For thousands of people throughout Canada life insurance represents not only the sole protection of their dependents in the event of their early death but also the sole savings of a life time if they live beyond the wage-earning period. Life insurance is not usually purchased for pecuniary good. Instead of being taxed it should be cheapened and made easier.

It is instructive as well as interesting in this connection to note the disparity in the amount of taxes paid by the policyholders of life insurance companies and other classes of corporations.

At a meeting last October of the Insurance Superintendents of the various provinces, held in Winnipeg, a paper was presented which gave a comparison of the capital, the assets and the taxes paid of a bank and a life insurance company in the Province of Manitoba. I give this comparison below, together with similar comparisons for the Provinces of Quebec and Ontario. In giving these comparisons there is no desire to advance the theory that the banks are insufficiently taxed; but it seems that some such figures must be brought forward to show the unfairness of the premium tax paid by the life insurance companies.

Province—	Bank.	Life Ins. Co's.
Manitoba.		
Shareholders' capital and funds ....$	8,726,298.90	$ 1,034,067.85
Assets.......	153,181,451.52	27,432,823.91
Prov. taxes..	5,100.00	18,398.95
Ontario.		
Shareholders' capital and funds ....$	13,739,796.05	$ 83,596.49
Assets.......	143,504,919.82	10,292,149.49
Prov. taxes..	22,100.00	23,383.50
Quebec.		
Shareholders' capital and Funds	35,096,418.00	544,692.92
Assets.......	533,647,084.93	105,711,468.27
Prov. taxes..	19,872.39	32,682.97

Discriminating Tax

The question naturally arises has anything at all been done to rectify such an obviously discriminating tax against life insurance companies? There are evidences that the gross injustice is being recognized and it is gratifying to note that in one or two instances some relief has been granted. The Province of Ontario, at its last session considered this question and came to the conclusion that life insurance companies were being unfairly treated in this matter with the result that the rate of taxation was reduced from 1¾ per cent. of the premium income to 1¼ per cent. Efforts are at present being made to get the other Provinces of the Dominion to make similar reductions and in fact to carry these reductions to a still further extent.

It is of interest to note in this connection that the Dominion Parliament, in framing the Income Tax Act in 1917, did not impose any tax whatever on the income of life insurance companies as regards policyholders' interests therein. This was clearly in recognition of the important position which life insurance companies occupy in promoting social welfare.

The Jubilee of a Great Institution

1871—1921

The Sun Life Assurance Company of Canada celebrates this year its Golden Jubilee.

The rapid development of the Company during its first fifty years of operation has been an outstanding feature of Canadian progress.

With business in force of nearly Five Hundred Millions the Sun Life of Canada ranks among the world's foremost life assurance institutions.

Its assets amount to One Hundred and Fourteen Millions.

A world-wide institution, the Company's operations encircle the globe.

Widespread Service—Concentrated Strenght

SUN LIFE ASSURANCE COMPANY OF CANADA

HEAD OFFICE MONTREAL

The Independent Order of Foresters

ORGANIZED 1874

The Society has paid out

Over $70,000,000

TO MEMBERS AND THEIR BENEFICIARIES

Benefits Paid In 1920

Paid to Beneficiaries	$2,318,882.65
Paid in Funeral Benefits	22,315.35
Paid in Disability Benefits	82,864.15
Paid in Old Age Benefits	1,261,012.73
Paid in Expectation of Life Benefits	17,473.33
Paid in Sick Benefits	245,126.27
Paid in Fraternal Grants	213,870.34
Paid in Benevolent Work	102,949.79
Total	$4,264,494.61

Benefits Provided

Provides a Complete System of Insurance Protection.
Provides Sick Benefits.
Provides Disability Benefits.
Provides Old Age Benefits.
Provides Fraternal, Social and in many of its branches Free Medical Attendance and Hospital Benefits.
Provides Treatment for Members who have contracted Incipient Tuberculosis.
Provides for and Educates Full Orphan Children of Deceased Members.

Life Insurance Policies Issued from $500 to $5,000

Head Office - - Toronto, Canada

R. MATHISON, *Secretary.* G. R. COTTRELLE, *Treasurer.* W. H. HUNTER, *President.*

TORNADO LOSSES INCURRED IN 1919, A BURDEN IN 1920

Canada Free From Violent Blows During Past Year—Companies Increase Rates and Introduce Minimum Loss Clause in Policies

Losses incurred by companies writing tornado insurance in Canada during 1920 amounted to $29,155, while claims paid reached a total of $155,931. This seemingly anomalous position is easily explained by the fact that on November 29, 1919, southern Ontario was visited by one of the most violent cyclonic disturbances that has ever been experienced in that section of the country, and losses incurred by the insurance companies through the accompanying property damage were of sufficient volume not only to wipe out profits from this field for the year, but were equal to the prospective premium revenue at existing rates for ten years to come. Losses paid by two of the larger companies amounted to some $140,000. The fact that this storm occurred near the close of the year resulted in a large proportion of the claims being paid in the succeeding year in order to allow the companies ample time to conclude investigations and make satisfactory adjustment. Losses for the year 1919 amounted to $245,241, and it will thereby be readily seen that the experiences of the various companies during 1920 were very satisfactory in comparison.

The destruction wrought by this storm forced the companies to adopt new and higher rates for insurance against tornado and windstorm. The farmers of Ontario are large buyers of tornado insurance, and following the experiences of 1919 have been fully educated to the value of this form of protection. As the losses were of sufficient volume to more than make up the premium income for the few succeeding years the companies were faced with the necessity of securing more revenue through increased rates. Under the new scale the rate remains the same on farm dwellings for a three-year period at 30 cents per $100. On barns and others the rate has been advanced from 40 to 65 cents, and has been placed at 65 cents on farm products, vehicles and live stock.

Formerly insurance companies followed the practice of paying all claims, whether they ranged from $2 or $3 up to hundreds of dollars. The smaller claims were paid at a high degree of expense to the companies, as the work of investigation and adjusting claims was practically as costly as in the case of the larger losses. Following the disastrous blow of the fall of 1919, the company adjusters were working for weeks and months, and even reputable builders and others well acquainted with property values were called in. The experience of one of the larger companies was that 70 per cent. of the claims were for amounts under $25. Following this experience the companies introduced a further innovation—a minimum loss clause in their policies—which provides that in the case of loss or damage to farm, barns and outbuildings, the company will not be liable for any loss on such property amounting to less than $25. If, however, the assured desires protection from all losses no matter the magnitude, he can secure a policy to cover the minor amounts by making an additional payment on his premium.

During 1920 the country was free from disastrous gales and this favorable condition is reflected in the statement issued by the insurance department. The experience of insurance companies generally has demonstrated the peculiar fact that the western peninsula of southern Ontario appears to be more subject to heavy gales than the east and Quebec. This is accounted for by the fact that this section of the province is bounded by Lakes Ontario, Erie and Huron, and is therefore more exposed to the ravages of any gales that may materialize in the storm centres of the southern states and moves in a northerly direction.

Abstract of Tornado Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Ætna Insurance	$ 4,223	$ 11,381	$ 1,381
American Central	3,182	9,992	1,178
Continental	3,753	50	......
Fidelity-Phenix	3,416	603	558
Glens Falls	2,300	— 71	180
Great American	3,312	1,814	2,244
Hartford Fire	48,381	3,840	29,426
Home Insurance	67,928	— 9,216	107,131
Insurance Co. of State of Pa.	1,466	70	70
National Fire of Hartford	650	......	......
National Union	1,443	523	518
Niagara	329	— 46	194
Northwestern National	407	50	45
St. Paul Fire & Marine	13,959	4,523	12,719
Scottish Union and National	785	244	244
Springfield Fire & Marine	2,742	5,389	43
United States Fire	45	......	......
	$ 158,321	$ 29,155	$ 155,931

Abstract of Guarantee Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Alliance Assurance	$ 12,145	$ 2,826	$ 1,697
American Surety	54,102	31,035	5,307
Canada Accident	20,624	5,402	5,252
Canadian Surety	88,491	22,139	9,955
Dominion Gresham	7,087	1,050	590
Dominion of Canada Guarantee & Acct.	52,372	10,632	10,271
Employers' Liability	89,928	31,838	27,838
General Accident of Canada	19,949	3,241	2,166
Globe Indemnity	8,956	6,455	— 385
Grain Insurance	60,825	650	......
Guarantee Co. of North America	122,856	36,845	12,898
Guardian Insurance Co.	13,684	— 810	— 627
Imperial Guarantee and Accident	45,555	5,734	5,734
International Fidelity	7,022	841	1,678
London Guarantee & Accident	127,368	30,650	24,540
London & Lancashire Guarantee & Acct.	36,704	1,794	9,652
Maryland Casualty	31,796	— 8,074	710
National Surety Co.	96,845	37,924	23,724
Northern Assurance	1,528	......	......
Ocean Accident & Guarantee	27,231	7,294	— 596
Railway Passengers	12,609	— 227	348
Royal Indemnity	48,301	2,703	......
Scottish Metropolitan	807	......	......
United States Fidelity & Guaranty	285,677	82,535	37,283
	$1,272,462	$ 312,477	$ 178,035

Inland Transportation Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Alliance Insurance	$ 132	$	$ ......
American & Foreign Marine	31,279	393	393
British America	5,210	9,096	28
British and Foreign Marine	1,008	......	......
Columbia	11,262	1,554	3,054
Fireman's Fund	20,861	32,630	8,698
Glen Falls	4,397	4,440	3,940
Globe & Rutgers	1,430	34	34
Hartford Fire	60,968	38,232	37,892
Insurance Co. of North America	23,349	......	250
London Assurance	5,520	......	......
Marine	44,838	4,808	4,808
Ocean Marine	10,944	3,219	3,219
Queen of America	53	......	......
St. Paul Fire and Marine	43,348	9,477	10,732
Union Assurance Society	10,738	222	......
Union Marine	581	9	9
Union of Canton	95,235	109,940	123,804
Western	52,692	9,916	14,813
	$ 423,845	$ 223,970	$ 211,674

Guarantee Company of North America

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
In Canada	$ 122,856	$ 36,845	$ 12,898
In other countries	220,844	9,254	49,736
	$ 343,700	$ 46,099	$ 62,634

AS TO OVER-INSURANCE

New England Exchange Urges Readjustment to Meet Conditions

With a view to preventing evils incident to overinsurance liable from the shrinkage in values, Secretary C. M. Goddard, of the New England Insurance Exchange, has issued the following warning to the agents in that field:

For five years the values of buildings, merchandise, machinery and raw stock have been advancing, and insurance men generally have very properly advised property owners to increase the amounts of insurance carried. The tide has now turned and prices are beginning to come down. Building costs show only slight reduction, but manufacturing plants are shutting down and merchants everywhere are selling their stocks at great price reductions to meet the readjustment. Credit organizations are advising all retailers to make their inventories on a careful and conservative basis. At such a time financial hardship is inevitable.

During the past four months the fire losses of the country were tremendous. Under these conditions it is our imperative duty as insurance men to do our utmost to prevent overinsurance. It is our duty not only to the companies but to our customers whose good will we wish to retain and to the public generally. In the past we have advised increased insurance, but now we must advise against carrying more than may be properly collected in case of loss; any other course will bring discredit upon our business and will lose to us the respect of our insurers. The situation requires your thoughtful consideration and unselfish action.

PREVENT FURTHER DEFAULTS PLEA OF INSTITUTIONS

Review of Year in Insurance Companies' Investment Business

MORTGAGE DEMAND

Written after an interview with E. M. SAUNDERS, Treasurer, Canada Life Assurance Co.

There have been two dominant problems before the investment officers of life insurance companies in Canada during the past year. The first has been the difficulty of meeting the demand for mortgage funds, especially from Western Canada, and the second has been the efforts of the companies to bring the Prairie Provinces, their municipalities and the holders of bonds in defaulted towns and cities together for a solution of the financial difficulties of these Western communities. During the year several more towns and cities were added to the list of municipalities in arrears on debenture payments and the situation has become acute, especially in the Province of Saskatchewan.

Investors in Western mortgages feel that the time has come for terminating all moratorium legislation, the cause for this legislation having been removed. It is generally conceded that the continuance of this legislation will have the tendency to further embarass the mortgagors and seriously impair the securities affected.

The demand for mortgage funds has been so keen the past year that rates of interest have shown a considerable appreciation. The life insurance companies have therefore been able to place their funds to good advantage at higher rates of interest. While the demand for money has been far in advance of the supply the institutions have made every effort to meet the call. Western farm mortgages have always been attractive, where due care was exercised in choosing the communities. In fact, money placed out on farm mortgages in the West has often been much better secured than money invested in the bonds of some of the prairie municipalities.

The most important new factor entering the mortgage situation has been the action of the Canadian banks in withdrawing funds they had loaned to Western farmers. For some time past the banks had been loaning money to the farmers under such conditions that they were to some extent invading the legitimate field of the lending institutions. They have been calling these loans during the past year and the farmer in consequence has had to borrow from the insurance and loan companies, mortgaging his property as security, as he should have done in the first place.

This new demand led to a total of new mortgage investments for the Canada Life of $5,000,000 during the year, at least $2,000,000 over the new mortgage investments of any previous year.

Some New Defaults

There have been some new defaults in Western municipalities during the year and some of the former defaults have been tentatively straightened out. In British Columbia, Alberta and Manitoba the situation is not at all acute. In those provinces real co-operation has been given by the Provincial Governments and the people affected to the end of settling up legitimate debts. In Saskatchewan this spirit of co-operation has been lacking. This has been regrettable and the result has been a considerable amount of controversy that has hindered the work of negotiation.

Ill-considered statements have been made by some bondholders condemning the Provincial Government for not assuming unconditionally the debts of towns that were not able to pay their way. On the other hand, officials of the government have accused the bondholders generally of attempting to force an unconditional guarantee of municipal bonds, by threats of a "boycott" against provincial securities.

It can be stated clearly that there is no general demand in the East for the Province of Saskatchewan to unquestioningly assume the liabilities of such places as Humboldt, Battleford, Canora, Melville, etc. But there is a demand that the province and the municipalities themselves should realize that the credit of the entire province is being hurt by the failure to clean up the present difficulties. The good municipalities are being classed with the bad ones. Co-operation is asked to bring about local reforms that will serve to adjust the present differences. The essential demand of investors is that the province should look to the future, and make certain that the lessons of the past will not be forgotten.

Trouble Found Too Late

In practically every case where a town has defaulted, investigation has shown that in the earlier years of expansion no proper control of the town's expenditures was exercised by the province. The bondholders ask that in the future the province should prevent a town from running wild in its expenditures and that it should discourage the issuance of bonds for anything but essential civic purposes.

During the recent investigation into the finances of one of the Western towns it was found that their difficulties were not due to too large a debt. The town's debenture debt was quite moderate. But it was found that they were spending the greater part of their revenue on administration, and were making little provision for the redemption of their debentures. The feeling of the insurance companies and other investors is that an officer of the Department of Municipal Affairs at Regina should have discovered this situation and had it remedied before the town defaulted, and it should not have been necessary for the bondholders themselves to search out the trouble after the town was in serious difficulties.

The bondholders are ready to work out the present cases, with co-operation from the West, but their most important consideration is the future. They ask protection against further defaults.

The Case For GROUP INSURANCE

From the Employer's Viewpoint

Group Insurance wins the good will of workers and of those dependent on them.

It brings about a better spirit of co-operation between employer and employee.

It reduces labor turn-over.

From the Employee's Standpoint

Group Insurance protects individual workers and their families.

Recognizes continued loyal service.

Assures the worker's family of ready cash in an emergency where it will be needed.

The low cost makes this plan exceedingly attractive.

Get full particulars from

The Great-West Life Assurance Co.

Head Office, Winnipeg

Dept. "G"

The Record of Last Year

AMERICAN EXPRESS WORLD SERVICE

Foreign Offices

GREAT BRITAIN
London
Liverpool
Southampton
Edinburgh
Glasgow

FRANCE
Paris
Bordeaux
Havre
Nice
Marseilles

EGYPT
Cairo

ITALY
Rome
Naples
Genoa

BELGIUM
Antwerp
Brussels
Ostend

HOLLAND
Rotterdam

SCANDINAVIA
Copenhagen
Christiania
Stockholm

SWITZERLAND
Lucerne
Zurich

GERMANY
Berlin
Bremen
Hamburg
Coblenz

SOUTH AMERICA
Buenos Aires
Montevideo
Valparaiso

THE ORIENT
Yokohama
Kobe
Hong Kong
Shanghai
Manila, P.I.

CANADA
Montreal
Toronto

In 1891 the first foreign office of the American Express Company opened its doors in London. The Company has steadily increased the scope of its activity in many lands, until at present there is hardly a commercial center or port of importance which does not show the familiar "World Service" design.

The branches in foreign lands now cover every continent and in addition we have ten thousand banking and shipping correspondents whose long association with us has made them almost integral parts of our own organization.

In the year 1920 alone, to keep abreast with American commercial expansion overseas, new offices have been opened for branches of the Company's business in the following foreign cities:—

Edinburgh, Scotland	Lucerne, Switzerland
Brussels, Belgium	Nice, France
Ostend, Belgium	Cairo, Egypt
Gothenburg, Sweden	Valparaiso, Chile
Barcelona, Spain	Montevideo, Uruguay
Zurich, Switzerland	Kobe, Japan.

American Express Offices furnish to Banks and their patrons, international banking operations, export and import shipping facilities, travel accommodations, and foreign trade assistance.

Long practical experience in the foreign field and thorough knowledge of the commercial and financial customs of every country, have made this service of the American Express Company an efficient medium through which banks can develop the foreign business of their clients. Details will be supplied on request.

Address the Manager of nearest offices listed below.

AMERICAN EXPRESS COMPANY
65 BROADWAY, NEW YORK

29 Luckie Street, Atlanta, Ga. — Market Street at Second, San Francisco, Cal.
Ninth & Locust Streets, St. Louis, Mo. — 32 North Dearborn, Chicago, Ill.
231 St. James Street, Montreal, Canada

INTERNATIONAL BANKING, SHIPPING, TRAVEL AND FOREIGN TRADE

ABSTRACT OF LIFE INSURANCE IN CANADA IN YEAR 1920

Canadian Companies

COMPANIES—	Premium income	New Assurance issued, net	Assurance in force	Death claims	Total claims
Canada—Ordin. (a)	$ 6,919,308	$34,485,571	$ 178,105,079	$ 1,982,948	$ 2,566,426
(b)	4,322,085	19,711,396	84,059,535	668,873	1,067,193
(c)	11,241,393	54,196,967	262,164,614	2,651,821	3,633,619
Group (a)	24,038	2,148,470	2,322,950	6,800	6,300
(b)	....	....	35,500	....	....
(c)	24,038	2,148,470	2,358,450	6,800	6,300
Capital	215,769	1,171,350	6,154,185	20,080	19,214
Commercial	22,586	210,166	685,669	3,000	3,000
Confederation (a)	3,648,031	24,552,430	106,471,192	787,402	1,233,603
(b)	1,328,316	6,066,869	25,537,462	208,756	263,672
(c)	4,976,347	30,619,299	132,008,654	996,158	1,497,275
Continental	587,867	3,385,577	16,946,006	76,558	123,496
Crown	848,576	5,398,301	24,336,312	127,887	151,628
Dominion	1,480,184	10,271,708	42,931,662	205,655	328,370
T. Eaton—Ordinary	476	19,500	19,500	....	....
Group	38,004	20,098,500	17,944,500	11,000	9,000
Excelsior—Ordinary	1,281,807	8,940,340	39,119,685	243,503	293,008
Industrial	1,222	....	30,256	1,475	2,693
Gt.-West—Ord. (a)	7,805,827	49,757,228	246,413,473	1,177,169	1,327,993
(b)	206,573	2,328,375	8,242,988	28,964	16,714
(c)	8,012,400	52,085,603	254,656,461	1,206,133	1,344,707
Group (a)	5,097	411,500	415,250	....	....
Imperial (a)	3,495,503	23,903,032	98,676,951	545,244	733,199
(b)	486,233	2,606,158	10,338,083	91,986	92,870
(c)	3,981,736	26,509,190	109,015,034	637,230	826,069
London—Ordin. (a)	2,097,747	16,109,450	62,674,301	226,117	301,269
(b)	4,071	78,000	131,500	....	....
(c)	2,101,818	16,187,450	62,805,801	226,117	301,269
Industrial (a)	1,405,699	11,857,232	33,683,674	268,372	244,744
Group (a)	2,488	....	110,600	....	....
Manufac.—Ord. (a)	4,003,261	29,939,519	118,686,753	572,190	883,428
(b)	2,757,152	15,627,989	54,758,814	457,320	758,023
(c)	6,760,413	45,567,508	173,445,567	1,029,510	1,641,451
Group (a)	498	40,800	47,500	....	....
Monarch	735,386	6,263,625	24,287,713	58,500	66,196
Mutual of Canada (a)	7,526,686	42,553,759	199,067,869	1,234,578	1,951,781
(b)	53,091	358,000	1,413,994	2,000	12,500
(c)	7,579,777	42,911,759	200,481,863	1,236,578	1,964,281
National of Can. (a)	931,833	5,575,292	28,582,089	191,620	274,008
(b)	10,706	58,500	282,950	2,000	2,000
(c)	942,539	5,633,792	28,865,039	193,620	276,008
North American (a)	3,045,385	20,406,727	89,302,350	589,955	1,127,642
(b)	301,274	1,261,549	8,622,396	66,721	93,667
(c)	3,346,659	21,668,276	97,924,746	656,676	1,221,309
Northern	755,182	5,377,262	21,271,467	100,070	151,877
Saskatchewan	128,904	725,555	3,929,924	18,500	14,615
Sauvegarde	289,015	1,570,848	9,106,821	52,750	54,469
Security	103,097	1,511,915	3,802,637	11,212	16,792
Sovereign	413,394	2,730,958	13,917,726	76,000	90,308
Sun—Ordinary (a)	8,838,945	46,771,274	252,743,829	1,683,434	2,382,319
(b)	12,023,353	51,095,164	223,354,052	2,399,389	3,413,000
(c)	20,862,298	97,866,438	476,097,881	4,082,823	5,795,319
Thrift (a)	19,626	....	487,221	8,253	38,813
(b)	16,786	....	479,305	7,692	20,951
(c)	36,412	....	966,526	15,945	59,764
Group (a)	64,604	7,356,728	8,144,428	29,500	27,747
(b)	3,300	1,432,400	1,432,400	....	....
(c)	67,904	8,789,128	9,576,828	29,500	27,747
Travellers of Canada	355,590	3,027,149	9,921,726	40,250	34,206
Western	120,736	948,000	4,007,307	35,500	35,027
Totals for 1920 (a)	$57,212,371	$387,519,766	$1,664,348,605	$10,385,522	$14,493,171
(b)	21,512,940	100,624,400	418,688,979	3,933,701	5,740,590
(c)	78,725,311	488,144,166	2,083,037,584	14,319,223	20,233,761
Totals for 1919 (a)	$47,126,374	$314,489,448	$1,362,631,562	$ 9,564,160	$17,454,054
(b)	17,307,075	74,749,182	349,430,461	3,728,772	5,744,164
(c)	64,433,449	389,238,630	1,712,062,023	13,292,932	23,198,218
Inc. i, dec. d (a)	$10,085,997d	$73,030,318	$ 301,717,043d	$ 821,362d	$2,960,883d
(b)	4,205,865d	25,875,218	69,258,518d	204,929d	3,574d
(c)	14,291,862d	98,905,536	370,975,561d	1,026,291d	2,964,457d

(a) In Canada. (b) Out of Canada. (c) Total business.

British Companies, Canadian Business Only

COMPANIES—	Premium income	New Assurance issued, net	Assurance in force	Death claims	Total claims
Commercial Union	$ 17,160	$ 14,000	$ 594,435	$ 9,920	$ 13,511
*Edinbugh	258	....	22,703	......	......
Gresham	215,728	1,928,177	7,037,713	65,893	80,893
†*Life Assoc. of Scot.	3,174	....	265,189	21,633	20,662
*Liver. & Lon. & Globe	2,482	....	110,188	18,021	15,432
London and Scottish	554,012	1,751,514	17,167,104	189,080	443,379
†Mutual Life & Citizens' (Australia) (Ord.)	89,802	928,500	2,322,953	11,360	12,127
(Ind.)	111,363	2,105,710	3,069,437	14,976	10,463
North British & Mer.	57,812	290,635	1,573,535	42,665	42,607
*Norwich Union	2,540	....	90,727	......	......
Phoenix of London	232,720	609,000	7,526,636	104,923	170,138
Royal	735,855	4,132,108	14,993,204	175,645	218,318
*Scottish Amicable	658	....	43,021	4,666	4,946
*Scottish Provident	173	....	23,479	8,015	8,015
†Standard	737,300	3,216,394	21,921,824	430,306	862,304
*Star	4,792	....	132,668	13,372	16,055
Totals for 1920	$2,765,829	$14,976,038	$ 76,894,816	$ 1,110,475	$ 1,918,850
Totals for 1919	2,201,462	10,724,872	66,908,064	1,115,159	1,895,928
Inc., i; dec., d	$ 564,367d	$ 4,251,166i	$ 9,986,752d	$ 4,684d	$ 22,922i

*These companies have ceased transacting new business in Canada.
†Date of returns—Life Association of Scotland, April 5, 1920.
Mutual Life and Citizens' Nov. 30, 1920.
Standard, Nov. 15, 1920.

Foreign Companies, Canadian Business Only

COMPANIES—	Premium income	New Assurance issued, net	Assurance in force	Death claims	Total claims
Ætna—Ordinary	$ 1,111,427	$ 6,742,252	$ 37,964,014	$ 496,821	$ 959,469
Group	221,425	12,025,800	16,699,550	89,850	89,350
*Connecticut Mutual	21,852	....	959,617	64,195	59,662
Equitable—Ordin.	1,383,061	6,314,624	38,698,545	459,899	579,384
Group	27,886	2,507,400	2,690,600	10,750	10,750
Guardian	10,426	5,500	224,468	....	261
Metropolitan—Ord.	6,665,345	56,969,930	219,323,184	998,860	1,410,724
Industrial	7,077,302	35,211,426	170,542,091	1,253,979	1,807,366
Group	150,312	12,921,200	17,737,558	64,200	64,200
Mutual of New York	1,869,998	9,370,781	51,306,888	456,551	842,184
*National of U.S.	127	....	22,320	2,637	2,637
New York	4,169,799	22,513,075	115,475,957	926,226	1,405,678
*Northwest'n Mutual	1,236	....	64,553	13,150	7,150
*Phoenix Mutual	19,024	....	149,240	67,765	67,889
*Provident Savings	30,920	....	961,866	26,966	30,448
Prudential—Ordinary	2,206,043	18,709,333	77,878,496	371,851	483,631
Industrial	3,673,730	21,764,041	96,738,340	622,134	548,888
Group	3,472	394,950	353,250	2,000	2,600
State	40,813	5,000	1,521,962	51,500	60,975
Travelers of Hartford—Ordinary	1,104,644	12,277,277	46,217,167	336,640	568,655
Group	114,977	8,800,007	10,459,300	72,068	64,648
Union Mutual	304,048	1,054,000	9,017,036	129,223	232,193
United States	26,867	29,000	787,796	13,087	8,639
Totals for 1920	$30,234,734	$227,615,096	$ 915,793,798	$ 6,530,352	$ 9,307,381
Totals for 1919	25,380,673	192,649,319	758,297,691	6,248,026	8,727,110
Inc., i; dec. d....i	$4,854,061d	$34,965,777	$ 157,496,107i	$282,326i	$580,271d
Totals in Can. only (1920)	$90,212,934	$630,110,900	$2,657,037,219	$18,026,349	$25,719,402
—All Cos. (1919)	74,708,509	517,837,639	2,187,837,317	16,927,345	28,077,092
Inc., i; dec., d....i	$15,504,425d	$112,247,261	$ 469,199,902i	$ 1,099,004d	$2,357,690d
Total group business in Canada only (1920)	$ 652,801	$66,704,855	76,925,486	286,168	274,595
—All Companies (included above) (1919) †	20,469	11,518,750	11,511,250	....	....
Inc., i; dec., d....i	$632,332	$55,186,105	$ 65,414,236	$ 286,168	$ 274,595

*These Companies have ceased transacting new business in Canada.
†Group premiums of Travelers of Hartford not returned separately.

LIFE COMPANIES ARE FACING MORE DIFFICULT YEAR

Large Number of Lapses is An Unfavorable Feature

UNUSUAL CONDITIONS

Record Volume of Business During 1920—Every Effort Should be Made to Keep Insurance in Force

The outstanding feature of the insurance field for the past year was the remarkable increase in insurance placed with life companies operating in Canada. Insurance in force now reaches the remarkable total of $2,657,037,219, while new insurance written during the past year amounted to $630,110,900 compared with $517,863,639 for the previous year and $307,279,759 for 1918. All former records have been broken by large margins.

The life companies have been especially favored by unusual conditions which prevailed during the past two or three years, and which had the effect of bringing home to the public generally the very great value of life insurance, not only as a protection but as a convenient form of saving and as a sound investment. The influenza epidemic of 1918 and of the winter of 1919-20 emphasized the uncertainty of life even to those who were apparently in the best of health. Again, with industrial prosperity at its height, and wages and salaries high, and money in freer supply, the insurance agents found an attentive and receptive audience. Another factor largely responsible for the growth of life insurance was the very marked increase in the cost of living. Business men, who under normal conditions felt that they had provided ample insurance protection for their families, have seen the purchasing power of the dollar steadily declining and have taken steps to bring their insurance up to an adequate amount to correspond with the altered dollar value.

Business Unsettled

The present year finds conditions less favorable. Business is now highly unsettled and the business man is conserving his capital, and the reins of credit have been tightly drawn. While the volume of business of the average insurance company is so far this year well up to the record of the corresponding period of the past year and in some few cases is even larger, it is highly doubtful whether the totals for the year will establish any new records. An unsatisfactory feature of the business of the present year is the large number of insured who are allowing their policies to lapse, and that is one of the most difficult problems that the companies have to contend with at the present time. The percentage of lapses has, of course, been especially high among those whose insurance only dates back a year or so, and who have not the inducement of a large premium payment already made to cause them to keep up their insurance. This condition is the outcome of the unfavorable turn of business, and the demands for money for other and what to the average individual appear to be more pressing needs.

It is unfortunate that this condition has developed. The importance of life insurance can scarcely be overemphasized. The need for the protection that it affords is especially apparent in times of depression, and rather than allowing a policy to lapse at the critical moment every effort and even sacrifice should be made to keep up the payments. That life insurance provides no benefit to the insured is a false illusion. Life insurance may afford the most effective means of saving. An endowment policy is furthermore an investment, the security of which is gilt-edged, and not only provides protection for the family of the insured during the period in which premium payments are being made, but at the expiration of the term the face of the policy and a liberal addition in the form of dividends becomes immediately available for the insured's purposes. During the period 1876-1920 the claims paid by all companies reached a total of $576,238,457, of which the sum of $290,588,171 was disbursed as death claims. The balance or practically one-half of the total distribution went back to the policyholders. Many of the companies in the list have been established within comparatively recent years, and as time passes on the distribution to policyholders will increase. A large eastern company during 1920 has paid on claims the sum of $114,849,597, of which $79,813,000 went back to policyholders as payment on matured endowments and the balance was applied on death claims.

Non-Medical Insurance

A number of insurance companies will this year endeavor to circumvent the high rate of fees charged by examining physicians, which make an exceptionally heavy inroad proportionately upon the premium income from the smaller policies. To this end they have decided to issue policies for insurance up to $1,000 without requiring the insured to go through the formality of a medical examination. In lieu of the examination the prospect is required to answer a number of searching questions as to his antecedents, his health, etc. If it is proven that he has deliberately submitted false information concerning his physical condition to the company his policy may be cancelled. This is in the nature of an experiment with Canadian insurance companies, but there is every possibility that if it proves a success the maximum amount of insurance may be raised as high as $5,000.

An interesting feature of the report of life companies is the outline of the growth in the volume of group insurance written. At the end of 1919 a total of $11,518,750 of new group insurance was placed in Canada. At the close of 1920 the total of new insurance had been increased to $66,704,855, while the premium income had advanced from $20,469 to $652,801 and the amount of insurance in force to $76,925,486, compared with $11,511,250.

PROVINCIAL CONTROL OF INSURANCE CO.'S.

Not Affected by Recent Judgment of the Privy Council

The application of the judgment recently delivered by the Privy Council, giving companies holding Dominion charters the right to do business in any part of Canada, and defining and limiting the powers of provincial governments to legislate for such companies, as it affects insurance companies, has been defined by V. Evan Gray, superintendent of insurance for the province of Ontario. As practically every province has established some kind of control over such companies it will be of particular interest, not only to the individual companies, but to the provinces as well, to determine to what extent the companies are affected. According to Mr. Gray the judgment in general seems to confirm and strengthen provincial jurisdiction in insurance matters, especially when it is read in connection with the judgment of the Privy Council in the insurance case of 1916.

"The only conclusion I can form," he adds, "is that the province may continue to enact valid and binding legislation of a general character in reference to the making of contracts of insurance within the province, and make the same equally binding upon Dominion licensed companies as upon other insurers. The statements of the judgment quoted, which maintain the provincial authority as to contracts and taxation and mortmain, seem to be ample authority for this view. The confirmation of the provisions of the Ontario Mortmain Act seems to provide any further evidence required to indicate the complete liability of Dominion licensed insurance companies to comply with the general provisions of the provincial acts relating to contracts of insurance."

Sprinkler Leakage Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
American Lloyds	$ 3,211	$ 3,587	$ 3,785
British and Foreign Marine	1,048	1,465	1,465
Glens Falls	1,106	......	......
Hartford Fire	25,274	11,438	11,524
Home Insurance	10,675	7,161	5,191
Maryland Casualty	51,780	44,360	50,788
Scottish Union & National	2,062	480	......
Springfield Fire & Marine	3,648	......	......
	$ 98,804	$ 68,491	$ 72,753

Beaver Fire Insurance Company
A Canadian Company
President: W. J. Christie
Vice-Presidents: G. W. Allan, K.C., M.P., and A. Gouzée
Directors: W. H. Cross, John Galt, F.T. Griffin, D.H. Laird, K.C., F. Morton Morse.
Managing Director: A. DE JARDIN
Head Office:
Winnipeg, Manitoba

*"—past the bounds of freakish youth,
But strong for service still, and unimpaired."*
—WILLIAM COWPER

The NORTHWESTERN LIFE ASSURANCE COMPANY
H. R. S. McCABE, MGR-DIR. F. O. MABER, SEC-TREAS
NORTHWESTERN BLDG. 166 DONALD ST., WINNIPEG CAN.

The Western Empire Life Assurance Company
Head Office: - - Winnipeg, Canada
1920
was the best year in the Company's history.
The Assets exceeded $650,000.00 and the Surplus to Policyholders $270,000.00.
The generous five-year dividends paid to Policyholders are proving of great benefit to our Agency Force.
We have exclusive territory to offer, with good contracts, in each of the four Western Provinces.
Producing Agents should communicate at once.
The Western Empire Life Assurance Company
701-717 Somerset Block, Winnipeg

The Canadian National Fire Insurance Co.
Head Office: WINNIPEG, Man.
Surplus to Policyholders $2,193,151
A general fire insurance business transacted.
Help to build up our Canadian Institutions by patronizing this strong home company.

BURGLARY INSURANCE, ONCE REGARDED AS A JOKE, NOW A NEED IN HOME AND BUSINESS

Prevalence of Crime Makes This Form of Insurance Almost as Much of a Necessity as Fire or Life

LARGE INCREASE IN LOSSES

Premiums Advance by 45.3% Over 1919, While Losses Increase by 108%, and Claims Paid by 79%—Largely the Outcome of Industrial Unrest and Large Volume of Unemployment

By AUSTIN R. CAMPBELL.

The history of burglary insurance, like all other forms of coverage on commodities or property, has witnessed a period of uncertain conditions and what might be termed bumpy weather. The sudden rise in values during 1918 and 1919 and the even faster depreciation of same in the fall of 1920 produced "high points" in the business chart and wide fluctuations.

It is generally admitted that during the period of the rise people grew careless. Fire prevention, accident protection, and means to guard against loss by theft, became less efficient. The rush to secure some portion of the great fortunes that were being made month by month lowered the general standard of caution and with it depreciated the moral resistance.

A reflex action, born of years of war training, seemed also to have added its sinister effect to the general disarray of otherwise stable forces. As a result all these varying conditions culminated in a wave of crime that first became apparent in 1919 but which swept over into 1920 with a greater record of violence than any previous year in the history of the American continent. Consequently the volume of burglary and other forms of felonious insurance rose rapidly, not only in the number of policies issued, but in the total of protection due to the inflated values of portable property.

Industrial unrest, evidenced in strikes and labor demonstrations, also had its effect on this class of insurance, as many timid mill and property owners arranged large coverages for riot and mob hazard. Fortunately for business, and to the credit of labor, be it said, the claims maturing from this cause were slight. In fact it may be questioned if any large claim was preferred on this class of protection. In the last few months a large falling off of this form has been noticed, but, on the other hand, the volume of burglary insurance written has grown.

Was Thought a Joke

Burglary insurance was first issued in Canada by the Dominion Burglary Co., which took its growth and existence largely out of a detective agency. People considered it as a joke; the hazard was not of a nature to impress business men at that time and while the company secured what business was going, it realized the difficulties attending the development of public appreciation for a new idea. They were law abiding and industrious citizens in those days. Bolshevism and the socializing of property were unknown.

With the growth of cities, however, the crowding of foreign populace, the political corruption and the open bar, the seriousness of the risk became apparent and appreciation of this protection rose rapidly. Of recent years the frequency of house-breaking has created not a little boom, a fact which more than anything else has taught Canadian women the value and comfort of a policy protecting their cherished "Household Gods."

Selling the House Mistress

It is felt that the average company handling this type of policy has been disregarding a most fertile field of appeal. Women are hard to interest in business matters, but when once convinced of essential value they are equally unlikely to abandon their new fancy. Burglary protection has an especial appeal to the home and it is safe to say that once the mistress of the house is converted she will prevail upon her "lesser half" to arrange coverage.

There have been numerous theories put forward as explanations for the sudden increase in burglary. The war has been blamed, and perhaps justly, though it is stated by students of criminal statistics that we have to thank the war more for the extremes—that is petty larceny and felony on one hand, murder and assault on the other. Burglary is therefore classified in an intermediate position and seems to arise more from a "professional" instinct. For this reason it is a more stable hazard, and may be expected to continue normally even through prosperous times.

At the door of prohibition has been laid the blame for the recent increase in house-breaking. While it may be said that this is merely a facile argument of the anti-prohibitionists, it is an undoubted fact that many houses have been entered, portable valuables left untouched, but the "cellar" has yielded the harvest sought. That this is appreciated is witnessed by the recent restrictions placed on coverages of stocks of liquors and the extra premiums charged when the value exceeds a normal factor.

Undoubtedly burglary insurance should be considered as much of a necessity to-day as fire or life insurance. Even apart from banks and financial institutions—who would as soon work without doors on their vaults—the modern business-like factory or general office is coming more and more to realize that burglary coverage is a regular part of their annual overhead expense.

As a matter of statistics the following abstract of burglary insurance is interesting. Compared with the figures for 1919 the growth of public favor for this protection is evident and the increase in losses incurred proves its necessity and wisdom.

The following percentages are readily appreciated.

The increase in premiums in 1920 over 1919 was $150,000 or 45.3 per cent.

The increase in losses occurred was $127,193 or 108 per cent.

The increase in claims paid was $90,772 or 79 per cent.

The question of whether the increased losses may be expected to continue through 1921 is entirely problematical, and may in large measure be governed by amount of unemployment. A substantial improvement in industrial conditions, which would naturally be reflected in the labor market, can reasonably be expected to reduce the percentage of hazard and loss. The percentage of premium upon which this business was written having failed to keep pace with the percentage of increase in losses, would seem to indicate that a rise was both probable and just.

The 1919 report indicates a total of 17 companies writing burglary insurance in Canada. The abstract below totals 21 companies, the additions to the list being the General Accident of Canada, the National Surety, the Northern Assurance and the Royal Indemnity. As will be seen from an examination of the figures, the average of losses are in the vicinity of 50 per cent. of the premiums.

Abstract of Burglary Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Alliance Assurance	$ 5,774	$ 3,190	$ 3,038
American Surety	14,132	1,932	197
Canada Accident	8,293	2,512	1,917
Canadian Surety	19,239	10,205	8,988
Dominion Gresham	60,203	39,486	41,535
Dom. of Canada Guarantee and Accident	10,659	4,849	5,412
Employers' Liability	8,969	2,310	2,110
Fidelity & Casualty	39,340	23,348	28,667
General Accident of Canada	8,023	2,322	1,548
Globe Indemnity	12,780	14,275	6,962
Guardian Insurance Co. of Canada	9,494	6,170	7,164
Law, Union & Rock	13,947	6,491	6,305
London and Lancashire Guar'tee & Acc't.	789	81	81
Maryland Casualty	61,092	35,085	20,931
National Surety	9,410	6,818	6,818
North American Accident	1,382	328	328
Northern Assurance	26	.....	.....
Ocean Accident & Guarantee	5,838	3,729	1,729
Railway Passengers	1,843	434	359
Royal Indemnity	24,588	7,723	6,309
Travelers Indemnity	70,770	17,005	7,184
United States Fidelity & Guaranty	94,415	55,721	45,621
	$ 481,006	$ 244,014	$ 203,983

INSURANCE CO.'S WRITE NEW FORM FIDELITY POLICY

Position of Office Covered Without Reference to Incumbent

THE PROS AND CONS

A number of insurance companies are writing a new form of fidelity bond, indemnifying the employer through loss caused by the default of any employee in a position of trust. It has usually been the custom to bond the employee for a specified amount, but under the new arrangement a bond may be issued to cover not the employee but the position. The employer is automatically protected should an important position be taken temporarily or permanently by any employee without notice to the insurance company. The advantages of such a form of insurance are obvious, but there are disadvantages also which leave it open to criticism. The following comments by a practical insurance man upon this subject will be of value.

As there has been some discussion recently in regard to a form of bond wherein the position or office occupied is covered without reference to the incumbent, it may not be inopportune to set forth briefly some of its pros and cons.

Fidelity insurance of this kind reduces to a minimum any effort on the part of the employer. He merely furnishes a list of positions to be covered with the respective amounts set opposite each. This is a saving of time and possibly some small amount of supervisional expense over that involved in the usual method of handling fidelity business by taking applications. Without applications a surety company cannot investigate each employee's past. The employer therefore is likely to know little or nothing of the responsibility and worthiness of those whom he takes into his employ. Firms generally do not hesitate to state that they prefer to have a careful outside investigation made of those they are putting on their payrolls. They can afford to have in their organization only people who are of established good repute.

It sometimes occurs that an employer although sold on the subject of fidelity suretyship is reluctant to ask those who have been with him for a considerable period to fill the company's applications. He may be misunderstood by them. How many times has the real cause of our writing a bond been the fact that some employee has insisted for his own comfort that he be put under bond? The very persons of whose feelings the employer has been fearful have stated they had wondered why he hadn't done it long before. Where the principle is adopted to place all those in positions of trust under bond no upright, straightforward person will raise objection; rather will the psychological effect be the opposite. I have in mind one instance where a refusal excited suspicion, which shortly revealed an embezzler. It should be remembered as well that it is these older employees, having gained the implicit confidence and learned the inner workings of business houses, who are in a position to default for larger amounts.

Details of Handling Reduced

As in the case of the employer, the details of handling fidelity insurance are reduced for the surety. There is no cost for investigations and bookkeeping expenses are reduced. The question arises, however, is the saving of time incident to these two features worth the price? Under the first condition, the surety loses, of course, the right of the choice of risks; it blindly accepts the good and the bad.

Consider also the claim when it is presented to the surety, for then the application is of great importance. Without an application the material facts as to a defaulter's relatives, his references and his financial responsibility are not readily ascertained, there is no indemnity agreement by him signed, and accordingly salvage is going to be very much reduced. As the result of the salvage under the established practice of taking applications, does it not seem logical that the business can be handled more reasonably, resulting in doing business profitable at lower rates than must be charged for fidelity insurance.

While on the subject of recoveries it would not be fair to overlook another item of interest to the employer. Frequently the amount of a loss to him is greatly in excess of the amount of the bond. This is the time when he is directly interested. In many a schedule of bonds are the amounts set forth for individuals really not commensurate with the opportunities afforded should the bonded employee be dishonestly inclined. Often the larger bonds rank with the smaller in this regard. Employers have been very agreeably surprised when they have received our check for salvage in excess of the bond; this by reason of having had application.

FIRE INSURANCE
THE LONDON ASSURANCE
OF ENGLAND
Tested by the Fires of Two Centuries
Assets Exceed - $42,500,000
Applications for Agencies Invited
Address: Jas. A. Pert, Inspector, 222 Portage Avenue, Winnipeg
W. R. Purves, " Room 404, 36 Toronto St., Toronto
Lucien Vallee, " 17 St. John St., Montreal
HEAD OFFICE FOR CANADA : MONTREAL

INCORPORATED A.D. 1833
British America Assurance Co.
FIRE, MARINE, HAIL AND AUTOMOBILE INSURANCE
Assets over - - - - - - - - $ 4,000,000.00
Losses paid since Organization in 1833 over - $ 48,000,000.00
HEAD OFFICES:
British America Assurance Buildings Cor. Scott and Front Streets, Toronto

ANNOUNCING
the
TORONTO CASUALTY AND MARINE INSURANCE COMPANY
9 Wellington St. East, : Toronto, Canada
(Organizing in accordance with the Insurance Act of the Province of Ontario)
AUTHORIZED CAPITAL, $1,000,000
Divided into ten thousand shares of $100.00 each. Three thousand shares, first offering for subscription, at $125.00 per share.
PRESIDENT AND GENERAL MANAGER:
A. J. WALKER-GREIG, Toronto.
President, The Title, Guaranty and Casualty Company of America, Detroit, Michigan.
MARINE MANAGER:
T. M. MURDOCH, Toronto.
Formerly of the Western Assurance Company, Toronto, and the Union Insurance Society of Canton, Ltd.
CHIEF MEDICAL DIRECTOR:
DR. FORBES GODFREY, L.R.C.P. and L.R.C.S. (Edinburgh), L.F.P. and S. (Glasgow), M.D., Toronto, M.P.P., Mimico, Ontario.
DIRECTORS:
A. J. WALKER-GREIG, Toronto, Ont.
President, The Toronto Casualty and Marine Insurance Co.; President, The Title, Guaranty & Casualty Co. of America.
A. E. WILSON, Toronto, Ont.
President, A. E. Wilson Company, Limited.
E. R. DENNIS, London, Ont.
Gen. Manager, The Dennis Wire & Iron Works, Ltd.; Vice-Pres., London Art Woodwork Co., Ltd.; Director, Steel Sash, Ltd.
Dr. JOHN G. HUNT, London, Ont.
L. O. BREITHAUPT, Kitchener, Ont.
Sales Manager and Director, Breithaupt Leather Co., Limited; Director, Hastings Tanning Co.; Director, Maganetawan Tanning & Electric Company.
A. R. HEWETSON, Brampton, Ont.
Vice-President and Secretary-Treasurer, J. W. Hewetson Company, Limited.
JOHN D. CLAUDE FORSYTH, Kitchener, Ont.
President, John Forsyth Company, Ltd.; President, Forsyth Productions, Limited; President, Forsyth-Kimmel Company, Ltd.
DR. FORBES GODFREY, M.P.P., Mimico, Ont.
Medical Director, The Toronto Casualty and Marine Insurance Company.
AUDITORS:
HENRY BARBER & COMPANY,
Chartered Accountants, Toronto, Canada.
SOLICITORS:
MESSRS. SMITH, RAE & GREER,
No. 4 Wellington Street East, Toronto, Canada.
BANKERS:
THE MERCHANTS BANK OF CANADA,
Toronto.
TRUSTEES FOR SUBSCRIBERS:
THE BANKERS' TRUST COMPANY OF TORONTO.
Toronto Casualty and Marine Insurance Co.,
9 Wellington St. E., Toronto
Without obligation on my part please send me further information regarding the prospects of a Canadian owned Casualty Insurance Co.
Name ....
Address ....
WE OFFER A CANADIAN COMPANY BIG ENOUGH AND STRONG ENOUGH TO KEEP CANADIAN MONEY IN CANADA

SOME $7,000,000 INSURANCE UNDER SOLDIERS' PLAN

Applications Number 2,500 During First Six Months' Operation of Act

26 DEATH CLAIMS

Representing a Policy Value of $111,000—A Special Boon to Those Unable to Pass Ordinary Examination

The Returned Soldiers' Insurance Act, as enacted by the Canadian Parliament during the session of 1920, which became effective on September 1, 1920, is a measure to provide insurance to ex-members of the forces which served during the Great War, at a cost which will compare favorably with similar insurance which is offered by the ordinary commercial companies. The outstanding feature of the scheme is the fact that it is not necessary to be medically fit in order to participate in the benefits obtained under this act. Medical examination of any nature is not required. The scheme is therefore a special boon to those who through war service have become physically incapacitated to such a degree that they would not pass the rigorous test imposed by the regular companies, and would therefore otherwise be barred from insurance of any kind.

Mortality statistics covering the entire population for a period of years have been used as a basis upon which the cost of this insurance is computed. No charge is added to cover the excess mortality at present evident among returned men as a result of disabilities received or incurred while serving, or to cover the cost of administration. As a result the Government offers to returned men, under the scheme, insurance without medical examination at a cost which is lower than that offered to a thoroughly fit individual by the ordinary company after he has passed a strict medical examination. A further advantage is that provision is made whereby premiums may be paid as frequently, even monthly, as desired, by the insured. In this way the burden so frequently presented by the necessity of paying an entire year's premium at once is evenly distributed over the entire year.

Those Who Are Eligible

Any honorably retired nursing sister, officer or discharged soldier may participate in the scheme. Ex-members of the Imperial or allied forces are also eligible, provided, however, that they were domiciled in Canada on August 4, 1914. The privilege of taking insurance under this scheme will extend up to September 1, 1922.

In the first six months of the operation of this act some 2,500 applications for insurance have been received by the commission at Ottawa which is handling this insurance. Policies range as high as $5,000, and a large percentage of the applicants have taken the maximum allowed under the act. It is interesting to note that a large number eligible for insurance with the regular companies have submitted applications for policies. The actual amount of insurance which has been put into force as a result of these 2,500 applications totals a sum substantially in excess of $7,000,000, or an average of approximately $2,800 per policy. The premiums which have been paid, the majority of which represent monthly or quarterly payments, total approximately $60,000. Some 26 death claims have already been made representing a policy value of $111,000, or an average per policy of $4,269. Some of these claims have been paid, while the remainder are in the course of adjustment.

FIRE PREVENTION

Ontario League Conducts Province Wide Campaign of Publicity

The Ontario Fire Prevention League, in affiliation with the Fire Marshal's Department, has inaugurated a province-wide publicity campaign for the purpose of conserving homes as well as lives from destruction by fire. Through the principals and teachers of the schools, the league will distribute 250,000 copies of a "Home Inspection Blank" so that the pupils with the help of their parents may answer the questions. The primary object is to clean up attics, cellars, back yards and remove hazardous conditions, the underlying thought being to prevent fires by removing the cause.

EXPERIENCES OF CO.'S WRITING AUTO INSURANCE "BAD"

Continued from page 17.

according to the hazard car by car, based on reports of engineers.

That these higher rates have met with protests loud and long goes without saying, and these, as with practically all increases in prices these days, are resulting in decreased policies in many cases, yet on the whole the insurance company has a plea in its "experience" that passes with the average fair-minded client and wards off many threatened cancellations.

Extending Car Coverage

The tendency among car owners to extend the coverage to include not only fire and theft, but property damage, public liability and collision, grows steadily though somewhat slowly. This is indicated by figures showing that the premiums paid for the second group are outdistancing that of fire alone.

In the Government list of premiums paid, from the year 1915 on, there has been a double division. One includes the business where fire insurance is written and another list is made up of those where fire is excluded. In other words, the more obvious form of insurance for automobiles, namely, fire, theft and transportation, is included in one list, and the other list in the main would cover property damage, public liability and collision, as other forms of coverage. The list which appears below shows that in 1915 the total premiums—including fire—amounted to $312,000, whereas those excluding fire was $323,000. In 1916 the figure of $341,000 included fire as against $567,000; and in 1917, $593,000 as against $831,000. The year 1919 also showed a considerable margin over other automobile insurance as against fire. In 1917 the amount exclusive of fire was 40 per cent. higher than the other; in 1918, 37 per cent., but in 1919 the margin was not so great, showing an advance of the larger of only 25 per cent. over the other.

It should be remembered that in a large number of cases, such as garages and other sales agencies, fire hazard is usually the only one to be effected, the others being thought not so necessary, if at all. Thus "fire" risks start off with a large margin in their favor.

Number of Cars and Premiums

It is interesting to note the relations between the number of cars in Canada, as indicated by the official report of the licensing by the different provincial departments, and the amount of premiums paid for each year. It has been mentioned before that no separate report was kept of automobile insurance for the year 1910. That year the amount of premiums paid was comparatively insignificant as compared with the total amount of premiums for various lines of insurance, amounting to only $80,446. At the same time the corresponding number of motor cars under license in Canada was 8,937. This meant an average of $9 per car paid for insurance last year.

The following year the number of cars increased about a little less than two and a half times to 21,682, but the premiums showed an increase of over three times, $253,550, making an average of $11.69 insurance paid per car. In 1912, as the table shows, there were 34,000 cars, and $464,000 was paid in insurance, or an average of $13.35 per car. Strange to say the amount of insurance for each car license in Canada in the year 1912 was the highest that had ever been or has been since. The following year, where the cars numbered 50,000, the premiums paid amounted to $563,000, an average of $11.15 per car for the year. During the first year of the war, however, this average held down to $8.51 and during the next three years there was a very considerable decline in the amount of automobile insurance as compared with the number of cars, the lowest figure being $7.06 per car in 1916 compared with nearly double that amount in 1912. In the year 1919—the latest record for the insurance companies—the total amount of premium paid was $2,425,983, and the cars numbered 323,999. Roughly taking the ten years, 1910 and 1919 inclusive, the premiums showed an increase of 41.59 per cent. as compared with an increase of 35.28 per cent. in the number of cars, or the premiums were forty-one and one-half times greater in 1919 where the cars licensed were thirty-five and one-quarter times those of 1910. In other words, the amount of the automobile business of the insurance companies little more than kept pace with the increased number of cars during the past nine or ten years. Of course, it must be remembered, there was a very considerable decrease in the price of a number of the cars between 1910 and 1915, 1916 and 1917, which would mean that the coverage from an insurance standpoint would be as great proportionately while showing smaller amounts of premium paid.

Abstract of Automobile Insurance in Canada in 1920

Including Fire Risk

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Ætna Insurance	$ 28,465	$ 11,045	$ 8,851
Alliance Assurance	32,045	16,862	18,490
Alliance Insurance	13,076	2,687	2,551
American Alliance	189	.....	.....
American Central	353	.....	.....
British America	87,560	47,176	49,296
British Crown	155,779	108,926	104,743
British Traders	65,611	51,535	34,456
Canada Accident	38,380	34,290	41,570
Canada Security	2,653	87	87
Canadian Fire	14,669	1,413	1,447
Canadian Surety	20,523	17,341	14,561
Car and General	24,267	9,706	8,244
Columbia	68,307	29,457	22,134
Continentau Insurance	6,515	4,191	4,191
Dominion Fire	9,313	5,313	5,313
Dom. of Canada Guarantee and Accident	139,033	60,364	61,742
Eagle, Star and British Dominions	12,220	......	......
Employers' Liability	98,772	60,766	53,290
Equitable Fire	109	......	......
Fidelity-Phenix	6,258	4,191	4,191
Fireman's Fund	17,294	4,484	6,611
General Accident, Fire and Life	27,851	18,878	18,263
General Accident of Canada	19,899	6,807	4,555
Glens Falls	32,182	35,949	36,671
Globe and Rutgers	23,323	4,125	4,084
Great American 4	33,218	18,765	17,968
Guardian Insurance Company of Canada	30,325	15,413	21,558
Hartford Fire	50,228	11,291	10,895
Home Insurance Co.	99,581	35,223	31,184
Imperial Guarantee and Accident	53,593	28,105	25,225
Insurance Company of North America	70,830	49,505	44,824
Law, Union and Rock	6,156	6,249	3,808
London and Lancashire Insurance	47,728	16,858	17,458
London and Lancashire Guar. & Acct.	42,238	11,560	13,923
London Guarantee and Accident	45,012	33,671	34,183
London Mutual	20,512	2,339	2,339
Marine Insurance Company	42,855	7,887	11,343
Motor Union	123,731	42,968	30,368
National-Ben Franklin	71	45	1,725
National Fire	312	......	......
Newark	2,627	360	360
New Jersey	5,493	2,418	2,419
Niagara	10,963	6,175	6,666
North American Accident	19,746	26,942	23,128
Northern Assurance	27,179	22,122	13,206
Northwestern Mutual	2,732	64	64
Northwestern National	25,947	9,345	10,557
Norwich Union	86,853	35,114	36,739
Occidental	8,598	4,867	3,941
Ocean Accident and Guarantee	133,975	84,042	74,256
Pacific Marine	143	......	......
Palatine	3,696	970	529
Phoenix Insurance	24,241	23,549	20,251
Providence Washington	27,738	16,707	14,130
Queen of America	56,089	31,054	22,353
Railway Passengers	26,918	12,755	11,679
Royal Exchange	53,780	29,546	39,011
St. Paul Fire and Marine	51,888	15,461	25,681
Scottish Metropolitan	23,810	12,683	9,488
Scottish Union and National	16,070	6,591	11,586
Springfield	5,742	......	......
Traders and General	3,794	......	......
Union Assurance	3,911	1,101	569
Union Marine	12,546	11,014	10,047
Union of Canton	44,151	35,510	30,536
United States Fire	2,233	......	......
Western Assurance	74,674	46,469	47,367
Totals	$2,366,540	$1,250,241	$1,186,655

Excluding Fire Risk

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Ætna Insurance	$ 6,213	$ 1,670	$ 1,670
Alliance Assurance	26,693	4,702	11,613
Alliance Insurance	11,098	6,070	4,804
American Alliance	175	59	......
British America	85,837	38,346	39,379
British Traders	54,870	26,112	24,910
Canada Accident	66,618	34,335	28,902
Canada Security	4,653	1,537	912
Canadian Fire	10,486	3,247	2,957
Canadian Surety	45,997	16,924	13,992
Casualty Company of Canada	1,091	70	70
Car and General	6.727	3,156	2,406
Columbia Insurance	13,633	19,815	9,667
Continental Casuality	18,280	7,292	6,355
Continental Insurance	2,281	1,899	1,874
Dominion Fire	3,973	4,705	4,275
Dominion Gresham	60,050	33,680	31,375
Dom. of Canada Guarantee and Accident	94,581	62,944	58 926
Employers' Liability	272,251	135,376	129.376
Fidelity and Casuality	11,948	15,719	17,615
Fidelity-Phenix	2,281	1,899	1,874
General Accident of Canada	143,442	72,458	105,764
General Animals	26,027	18,931	17,928
Glens Falls	9,219	10,106	6,841
Globe and Rutgers	11,056	6,162	5,547
Globe Indemnity	154,237	107,331	100,831
Great American	29,105	29,051	20,271
Guardian Insurance Company of Canada	85,961	54,292	55,875
Hartford Accident	......	......	......
Home	18,274	27,645	25,786
Imperial Guarantee and Accident	50,814	26,647	19,687
Insurance Company of North America	14,285	11,890	6,777
Law, Union and Rock	28,935	37,299	19,196
London and Lancashire Guar'tee & Acct.	125,488	67,291	59,484
London and Lancashire Insurance	2,687	17,223	7,139
London Guarantee and Accident	149,177	82,257	71,484
London Mutual	20,582	8,546	5,722
Lumbermen's Mutual Casualty	650	......	......
Marine	21,601	15,935	13,085
Maryland Casualty	41,401	19,634	19,513
Merchants and Employers	40,697	30,685	20,240
Motor Union	53,025	14,477	13,077
Newark	178	20	20
Niagara	1,181	1,018	1,038
North American Accident	51,599	29,458	28,827
Northern Assurance	38,723	20,172	15,461
Northwestern Mutual	2,847	2,643	2.085
Northwestern National	14,574	14,111	11,829
Norwich Union	120,037	44,288	50,520
Occidental	7,073	4,707	1.636
Ocean Accident	144,823	59,748	62,448
Pacific Marine	236	65	2
Palatine	2,245	396	231
Preferred Accident	16,493	6,502	7,300
Providence Washington	6,227	1,038	1,479
Queen	24,455	18,287	20,082
Railway Passengers	85,827	39,108	42,148
Royal Exchange	87,905	33,231	38,754
Royal Indemnity	16,184	11,022	5,144
St. Paul	8,022	9,988	8,220
Scottish Metropolitan	18,585	8,844	6,479
Scottish Union	11,487	10,905	8,476
Traders and General	3,896	1,215	......
Travelers Indemnity	100,786	51,715	49,235
Union Assurance	1,364	10	10
Union Marine	7,287	17,44	417
Union of Canton	63,959	38,510	33,461
United States Fidelity and Guaranty	104,684	73,280	70,120
Western Assurance	55,935	17,741	24,759
Yorkshire	63,930	21,675	29,234
Totals	$2,886,941	$1,598,768	$1,506,614

Live Stock Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
General Animals	$ 73,522	$ 33,094	$ 31,976
Yorkshire	37,824	19,766	17,611
	$ 111,446	$ 52,860	$ 49,587

Mount Royal Assurance Co.

Surplus and Reserves, $1,099,179
Total Funds, - - $1,613,963
Total Losses Paid, - $3,758,437

Applications for Agencies Invited

HEAD OFFICE - - MONTREAL

P. J. PERRIN, *General Manager*

CROWN LIFE

Large Benefits to Policyholders

Cash payments to Policyholders and Beneficiaries during 1920 amounted to $215,298.47.

In addition, the sum of $508,813.00 was transferred to Policyholders Reserve Fund and $47,275.28 was transferred to Policyholders' Surplus.

This makes a sum total of $771,386.75 paid to or placed to the credit of Crown Life Policyholders during 1920.

Participating Policyholders in the Crown Life are entitled to 90% of all profits earned by the Company in addition to the guarantees contained in their Policies.

Business men who would like to undertake life insurance work are invited to correspond with us. The opportunities are rapidly expanding. We have a very attractive proposition to offer.

CROWN LIFE INSURANCE CO., TORONTO

Complete Report for 1920 gladly sent on request. 86

Our New "Canadian" Series Insurance Policies

Life---20-pay Life---20-year Endowment

Combining

Better Protection Service
The Policy for the Man of Vision
A Savings Investment

These "Canadian" Series Insurance policies are the result of much investigation on the part of the London Life Insurance Company in an effort to give to Canadian citizens a policy which will meet the particular requirements of individual policyholders—adjustable to any change in the circumstances of the insured—in a word, a policy that is the best protection that can possibly be provided.

Although only in force a short time this new "Canadian" Series has met with remarkable success.

We have a booklet that we will mail you, with full information relative to these plans. Write for it to-day.

The London Life Insurance Company

Head Office: London, Canada

Policies "Good as Gold"

Forgery Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Canadian Surety	$ 636	$	$ ......
	$ 636	$	$ ......

LIFE INSURANCE IS TESTIMONY TO FORETHOUGHT, THRIFT AND CONSERVATISM OF THE INSURED

Highly Unwise and Unprofitable for a Business Concern To Rest Its Credit Solely On Its Tangible Property

BANKER'S VIEWPOINT ON LIFE INSURANCE

Earning Power of Men Who Administer Company's Affairs Its Most Valuable Asset—Insurance Increases Confidence in the Borrower—Importance Only Beginning to be Realized

By C. W. ROWLEY.
Of the Canadian Bank of Commerce, Winnipeg. Paper Delivered before Life Insurance Institute at Winnipeg.

In our day insurance has taken on many forms, but always serves the same purpose and is based fundamentally upon the same principles. There is always a more or less underlying risk which is run involving the possibility of loss, uncertainty either as to its occurrence or the time of its occurrence and against this insurance affords protection through a contract. In its essence the contract is an agreement among a large number who are exposed to the risk to share the losses when they occur, thus lightening the burden to the individual and making for all a fixed charge instead of a catastrophe for some. The ideal state for the banker is the elimination of risk, and towards any agency designed for its eradication he must of necessity be wholeheartedly in sympathy. This, therefore, is his general attitude towards life insurance.

There was a time not so long ago when life insurance was urged practically exclusively as a means of domestic protection, and there is certainly no gainsaying the laudability of that aim. However, a new field has opened up and after an exhaustive study of the subject the keenest minds in the country have realized that it is to the best interests of business enterprises to place adequate insurance on the lives of those of their executive officials whose brains, energy and capital are essential to the success of the business in order to forestall the sudden interruptions of the financial continuity of the business and take care of any readjustments which may result from the loss of indispensable genius, personality, the tying up of estates, the sudden withdrawal of capital for estate purposes and suchlike.

Corporation Credit

In my opinion this is an exceedingly important subject, especially in corporation credit or general lines, where the general manager, or other guiding lights of a corporation, or some member of a firm, is a large factor in the concern's success and where his death would mean a grave loss to the business. It is a recognized principle in business that a sinking fund should be instituted and maintained to offset wastages, tear and wear, and for taking care of bond obligations, but, in my opinion, the sinking fund provided by insurance is hardly of less importance, although, I must confess, not so generally employed.

A great many business establishments have been built around the personality of some great man. As a banker my experience has taught me that the success of business depends to a marked degree upon good management and since good management depends practically entirely upon the manager, the success or failure of a business is, generally speaking, a personal matter depending upon the value of the manager himself. In dealing with any credit applications, irrespective of their size and the security offered, in other ways the moral hazard is invariably a large factor in influencing our decision.

Failures in business are due in the least degree to lack of intention to pay, and in the greatest degree to inability to pay from innumerable causes, one of which is the untimely death of the individual upon whose personal activities, qualities, or invested capital the business is dependent for its success. In this age of specialized ability the death of an individual might, and often does, necessitate the winding up of the affairs of a prosperous concern, and the only way to protect the business against the loss of capable management is either to replace the deceased manager by another equally well qualified if possible, or to bridge over the emergency by additional capital.

The principle of insurance in business is universally approved of in so far as fire insurance is concerned, but only partially in regard to life insurance. We as bankers regard a business which is not sufficiently profitable to carry fire insurance as hardly worth considering from a credit standpoint, and it would seem that the loss of a manager by death is just as serious as the loss of the property of the business by fire. In discussing statements with customers one generally finds that the business man's buildings, machinery and stock are well insured, but in far too many cases we unfortunately discover the most important part of the business uninsured, namely, the man, or men, who are the driving force of the business. One often finds that whereas a farmer will insure a fine horse, cow or hog for a considerable sum, he neglects to carry a cent of insurance on his own life. Then there is the type of man who, when approached regarding the purchase of life insurance, says he will talk it over with his wife. While to an extent this sharing of confidence with his wife is a laudable decision, I nevertheless cannot help feeling that he would get a readier and far more convincing answer if he were to talk it over with some destitute widow or orphan and take his cue from that.

Foresight and Co-operation

In the Encyclopaedia Britannica, Mr. William Gow points out that the essential elements of insurance are foresight and co-operation, the former the mark of civilization, the latter denoting social progress. Life to a savage is a lottery—so long as he satisfies his present needs he has little concern for the future. Civilized man, however, aims at eliminating as far as possible the element of chance and does away with instability and recklessness which are characteristic of the gambler. "The tendency of insurance is to destroy the gambling spirit," says Mr. Gow, and he pays it a fine tribute in his concluding statement when he says that insurance has done more than all gifts of impulsive charity to foster a sense of human brotherhood and of common interests. It has done more than all repressive legislation to destroy the gambling spirit. Our civilization will be most vigorous and most progressive when it combines the fundamental law of practical economy that he best serves humanity who best serves himself, with the golden rule of religion, "Bear ye one another's burdens."

Owing to the great protection business life insurance affords against contingencies which are inevitable, especially in the case of partnership, where the capital is limited and the death of a partner would seriously embarrass the firm, we believe this particular line of insurance should be encouraged, and, further, there can be no doubt that all other conditions being equal the firm carrying this form of insurance should be preferred as a credit risk. It is a mere truism to assert that a business house should insure its valuable assets. There is, then, no real argument against a concern carrying insurance on the life of the man at the helm, since death may mean the curtailment of the requisite banking accommodation previously extended on account of his demonstrated character and ability.

Instances are numberless where insurance would possibly not only have saved creditors from loss, but surviving partners from failure and families from distress. How many of us cannot recall cases where, in order to save a husband's or father's good name, the wife or mother has turned over all available assets, even in some cases her personal property, to clean up the debts of the business owned or managed by husband or father to the destitution of herself and those dearest to her? Sufficient life insurance would have prevented such a happening.

Life Insurance and Banking Loans

The question of life insurance in its relation to banking loans is, of course, one in which we bankers are naturally interested. It is only on rare occasions that we accept life insurance policies as collateral. Essentially banking is a short term loaning business and insurance policies, unless they have a substantial paid-up value, are of comparatively little direct value as a basic security for a short term loan. Nevertheless we invariably consider that the customer who carries life insurance protection has displayed foresight and is one who generally belongs to the satisfactory type with whom business can most safely be done. In my opinion the importance of life insurance as a support to banking credit is somewhat overlooked. While it may not add much to a customer's financial responsibility the placing of adequate insurance shows forethought, thrift and conservatism, qualities which all point to the fact that the moral risk is sound and consequently naturally increase our confidence in the borrower.

The conclusion arrived at from the study of this phase of the matter is that it is highly unwise and unprofitable in the long run for any business concern to rest on its credit, whether with its bankers or with the business community, solely upon its tangible property, neglecting and leaving exposed to serious hazard one of its most important assets, namely, the continuing earning power of the man or the men who administer its affairs. The earning ability has value worthy of being treated as actual property of the concern and protected by insurance just as carefully as is any other of the concern's resources. Such protection finds its reward in a sounder and more dependable credit, as well as the avoidance of a multiplicity of difficulties.

Business Insurance

The importance to the commercial world of the protection of what is termed "business insurance" is only beginning to be appreciated. Every little while evidences of its benefit are shown by the death of someone, the loss of whose influence and business ability is felt by the concern with which he was connected. A substantial amount of life insurance paid into the treasury of the concern to no small extent offsets his loss. The financing of modern business enterprise necessitates many safeguards and the matter of placing life insurance is admittedly one of them.

While there is undoubtedly a wide field in all directions in the life insurance business I would say from my own personal observation that the country districts have not been so well combed and canvassed as the cities. From the information that comes before me daily I notice that the farmers as a whole do not carry nearly as much insurance protection as one would expect and am satisfied that there is undoubtedly much business still waiting to be done among them. What better argument could be advanced to anyone than that which is open in the case of so many farmers—namely that ordinary prudence should dictate that they should carry insurance to practically approximate the amount of the mortgage indebtedness against their land? Then if anything does happen to them they have the satisfaction of knowing that they leave their wives and families with an unencumbered farm and a reasonable chance to work out a livelihood.

You men have a valuable article for sale, the price is reasonable and equable, its utility is of the highest and its purposes embody some of the loftiest and most estimable qualities in the moral code.

HAIL COMPANIES MAKE PROGRESS IN WESTERN CANADA

With Exception of 1909 and 1916 Loss Ratio Comparatively Small

HISTORY REVIEWED

By G. S. FRANCIS,
Manager The Manitoba Mutual Hail Insurance Co.

Hail insurance had its birth in Manitoba in 1888, when the Provincial Mutual Hail Insurance Company was formed. In 1889 a number of Winnipeg business men organized a mutual company and I think it would be of interest to many to give the names of the organizers; they are as follows: Martin Parker, Elm Creek; Stewart Mulvey, Dr. A. D. Carscallen, Archibald McLaren, R. A. Bonner, J. W. Morrison, W. R. Donagh, Dr. A. E. St. John, Thos. Atchison, E. F. Hutchings, George Leary and Thomas Huntley, all of Winnipeg.

For a number of years after there were only two hail insurance companies operating in Western Canada, until the year when American companies began to invade this territory, but their experiences were not very successful and they ceased operations after a few years. It was not until 1913 that they again began to operate and the number has increased from twelve companies operating at that time until 1920, when thirty-one companies were writing with a total premium income of $489,677.76.

The early experiences of the companies were very interesting as well as very stormy, for at that time little was known about conditions in Western Canada, and there were absolutely no statistics whereby any authentic information could be had. It was only by actual experience and the belief in the wisdom of hail insurance that the companies continued to operate.

With the exception of the years 1909 and 1916 the loss ratio has been comparatively small in Manitoba, with the result that the rates have always been lower than the two western provinces.

On several occasions attempts have been made to introduce a system of municipal insurance in the province but the attempt has always met with failure, the farmers believing the system now in operation the best for all concerned.

As will be seen a considerable increase is shown. The prospects for 1921 are very bright and all companies look for another good year in the sure crop province.

Abstract of Hail Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Acadia Fire	$ 35,153	$ 7,570	$ 7,570
Alliance Assurance	190,060	68,215	68,215
Bee Hail	135,489	75,062	75,062
British America	280,594	101,334	101,334
British Crown	222,018	95,523	95,523
British Traders	118,792	47,312	47,312
Canada Security	277,817	141,524	[illegible]
Canadian Indemnity	289,414	92,945	92,945
Car and General	331,781	115,715	115,715
Connecticut Fire	176,316	83,628	[illegible]
Continental Insurance	175,991	77,350	[illegible]
Dominion Fire	141,299	72,510	[illegible]
Eagle, Star and British Dominions	103,951	45,372	45,372
Employers' Liability	197,462	90,024	[illegible]
Excess	173,601	69,660	[illegible]
Federal	113,239	51,398	[illegible]
Fidelity-Phenix	175,991	76,891	[illegible]
General Accident of Canada	23,846	8,161	[illegible]
General Accident, Fire and Life	231,219	62,132	62,171
Glens Falls	176,927	82,729	[illegible]
Great American	94,676	26,288	[illegible]
Hartford Fire	681,923	294,740	[illegible]
Home Insurance	717,449	286,234	[illegible]
London Guarantee and Accident	127,102	29,063	[illegible]
Merchants Fire	105,042	56,285	56,285
Phoenix Insurance	176,317	80,683	[illegible]
Union of Canton	146,716	48,956	48,956
Westchester	176,317	83,628	[illegible]
	$5,796,502	$2,370,932	[illegible]

Incorporated A.D. 1851

WESTERN ASSURANCE COMPANY

(Fire, Hail, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes Insurance)

Assets over $7,900,000.00

Losses paid since Organization in 1851 over $80,000,000.00

HEAD OFFICES: Western Assurance Building, Corner Scott and Wellington Streets TORONTO

Can We Salvage Our Railways?

THIS is the biggest question facing Canadians to-day—overshadowing even the tariff, housing, wages, "buyers' strike," and other vital questions. Why? Because every man in Canada, with a wife and three children, is paying $80 a year, on the average, toward the running of our National Railways, *whether he or the members of his family ever board a train from Jan. 1 to Dec. 31!*

Frank S. Cahill, M.P.—keenest critic in the House of Commons of the Government in railway matters—has written for April 15th MACLEAN'S a striking article, in which he calls for the handing over of the railways to a private corporation—*to run properly.*

Also, in another striking article a prominent, nationally-famous, business man calls for the appointment of a commission of railway experts—probably (so that they may be unbiased) selected in the U.S. After a searching investigation, he advocates that:

1—Certain lines be leased to the C. P. R.;
2—Non-paying lines cut off;
3—Remaining lines handed over, on equitable basis, to private company.

What do business men think of the parliamentary committee appointed to investigate railway conditions? — "Political probe? Pah!—a bunch of amateurs!"

Review of Reviews

Squandering Uncle Sam's Billions — Paul V. Collins
German Industry Recovering — Lindsay Bashford
London Journalistic School Founded — Lord Northcliffe
"Law-and-Order"—Coolidge — Arthur C. Brooks
Rubber Substitute Discovered — Pan-American Magazine
Northcliffe's Bathtub Interview — Roger Lewis
African Buffalo a Fighter — Charles E. Akeley
Suggested Capital-Labor Solution — James Kidd
Some Queer Clubs .... Sunday Express
Sugar From Pumpkins ...... J. N. Bishop
Present Conditions in Roumania — Charles Woods
What Is Education? ...... Alexander Irvine
Germany, Shakespeare and Bacon — London Times
Auction Bridge for Two — A. E. Manning Foster
X-Ray Movies .... Prof. Harold E. Richards
A Vital Factor of Success . Lord Beaverbrook
Should Britain Abandon Mesopotamia? — Ikbal Ali Shah
What Should Germany Pay? — Bernard M. Baruch

—also

Articles — news and feature

"GIVING AWAY OUR PROFITS"—
By Agnes C. Laut.
A strong plea for Canadians to make the most of their raw product assets,—particularly pulp and fur.

"OIL IN THE SPLENDID SIXTIES"—
By Victor Lauriston.
The romantic story of the oil boom in Western Ontario half a century ago.

"OUR AUTHORS GET TOGETHER"—
By Arthur Stringer.
Union of Canadian pen-pushers and type-writer-tappers is formed in Montreal—what it means to our Country.

"THE MORAL HAZARD"—
By Guy Morton.
What happens in Spring if you insure your flivver at the valuation of a Rolls-Royce.

Fiction—bright, national

"PAWNED"—
By Frank Packard,
the noted Canadian author. A big instalment of this serial, with wonderful illustrations painted, in Italy, exclusively for MACLEAN'S, by Charles L. Wrenn.

"A JUNGLE MEAL TICKET"—
By Stanley R. Hoffland.
A toothless lion, two elderly men, a young man and a girl evolve their destinies. Illustrations by Mary Essex, of Montreal.

"NIGGER, STOP DAT FIGHT"—
By Archie McKishnie,
of Chatham, who knows how to tell a droll story of "cullud pussons." Illustrations by H. Weston Taylor.

"SALVAGE"—
By Charles Christopher Jenkins.
An unusual North Country story, by a staff writer on MACLEAN'S who has lived what he writes. Illustrations by R. M. Brinkerhoff.

APRIL 15th ISSUE NOW ON ALL NEWS-STANDS 20 CENTS

MACLEAN'S
"CANADA'S NATIONAL MAGAZINE"

HABITS OF CAREFULNESS WILL GO LONG WAY IN REDUCTION OF ONTARIO'S HEAVY FIRE LOSS

Accidental Fires Due Largely to Causes Which Are Preventable

LARGEST IN NUMBER

Substantial Reduction in Fire Loss in Past Two Years—An Improvement in 'Morale'—Twofold Object in View

By E. P. HEATON,
Fire Marshall for Ontario.

For many years Ontario has had the reputation of having an inordinately heavy and altogether inexcusable fire waste. We are, however, beginning to stage a "come-back" and the purpose of this article is to present some evidence that we are happily returning to normal conditions.

Prior to 1916 we were groping in the dark, for there were no reliable statistics to show what our fire waste really was or how it was distributed. With the organization of the Fire Marshal Office this defect was remedied, and we are now able to survey the field with intelligence and certainty. The record we now give may be taken as a truthful statement of actual results, guess work has been eliminated, and the fundamentals of completeness and accuracy are established. The six years' record is as follows:

Year	No. of Fires	Aggregate Loss
1916	10,279	$16,520,206
1917	9,601	10,365,539
1918	9,740	15,673,240
1919	9,396	10,514,232
1920	9,221	10,882,944

The figures of 1920 are subject to slight modification when "estimates" are changed to established figures but the difference will not be so serious as to change any conclusion we may now seek to establish from the figures we are, at this writing, able to present.

Gratifying Reduction

That there were 1,056 less fires in 1920 than in 1916, notwithstanding the admitted increase in the interval in population and properties at risk, is a remarkable fact to record. We cannot control the extent of a fire, while we may help to minimize it by improved construction, segregation of hazard, and fire fighting equipment; we can to some extent control the number of fires that start. The "accidental" fires, by far the largest number are due in a large measure to carelessness and preventable causes and it is manifest that the root of the evil will be struck in the inculcation of habits of carefulness. The "designed" fire happily of comparatively small extent, must be met by thorough investigation and by the punishment of offenders.

What we have done and are doing in both directions is too long a story to recite in an article of this kind but I think we are justified in concluding that the record, as now given affords reliable proof that the people of Ontario are improving in what I may term "morale." With the growth of the province in all directions, we can hardly hope to show a continuous decline in the number of fires, but we do hope to hold it in check, and if perchance we are happily able to show in future years an actual reduction so much the better for all concerned.

Sources of Fire Waste

From our statistical records we are able to determine that 75% of the fire waste of 1920 comes from four classes of property represented by 84% of the number of fires as follows:

The respective numbers and amounts differ slightly from those of the previous year and will of course vary in different years but the signifigance of this statement is in the last item, viz., that 5½% of the number of fires gave us 29% of the aggregated loss.

We have not yet completed our analysis for 1920 and the full tables will be published in our annual report, but we have no doubt that what we found in 1919 will be duplicated in 1920. In 1919 55 fires acounted for four million dollars (or 40 per cent.) of our aggregate fire waste.

Two Objects to Aim At

The task immediately to be aimed at is twofold.

1. To reduce the number of fires that start.
2. To minimize the loss when a fire does start.

Enough is said herein to afford much cause for thankfulness and a belief that the attention given to the subject of fire prevention in its many sided activities is worth all the money and effort expended on it.

VARIOUS FORMS OF INSURANCE SHOW A STEADY GROWTH

Canadian Insurance Record for Past Twenty Years Reviewed

FEW EXCEPTIONS

In the table appended to this article there is shown a comparison of the premium receipts and the losses incurred in the various classes of insurance apart from straight fire and life for 1900, and for 1910 and the succeeding years up to the end of 1919, the latest date for which returns were available up to early in April. In a majority of instances a steady and in some cases a marked development is seen as the years went on. In a few cases, with special reasons, growth has not been as great and in some cases the premium income has actually decreased.

This is notably shown in the case of employers' liability. There is no separate record of this kept in report of the Insurance Department as published for 1900 or even for 1910. In the year 1911 the premiums received amounted to $2,099,639, with losses for the year almost exactly 50 per cent., viz., $1,047,530. Within two years, by the end of 1913, premiums had increased by nearly three times, reaching a total of $5,516,758, which is by far the highest amount up to date, with losses slightly under two millions, viz., $1,973,319. About that time the Workmen's Compensation Act was put into operation in the province of Ontario and has been developed more or less in some of the other provinces, with the result that insurance in this branch has been transferred in a large number of instances from private companies to a Government department. In 1915-16 the premiums fell under two million dollars and in 1919 they were slightly over $2,500,000. With the development of the movement in the province of Quebec it seems certain that in a short time this business may be very greatly curtailed.

The guarantee policies have shown steady if not marked growth. In 1900 they amounted to $103,254 for premiums paid, and in 1910 this had increased to $298,940. For 1915 the premiums were $730,138 and in 1919 the amount was $1,138,882. The percentage of the losses has been running almost uniformly one-quarter of the premiums, although in 1914 losses were $341,000 out of $742,000 and in 1916 $319,000 out of $719,000. In 1919, one of the best years, it was below 25 per cent.

Remarkable Growth

Hail insurance, particularly during the past five years, has shown a remarkable growth. In 1900 no record appeared in the Insurance Report, and by 1910 premiums amounted to only $226,881 with losses of $73,549 or a little over 30 per cent. By 1914 the total was very little more but in 1915 the premiums amounted to $744,332 or almost three times as much as the preceding year, and with losses very heavy, $402,216. Bad experiences in the West drew an enormous business comparatively and by the next year, that is 1916, premiums amounted to $1,430,866 and doubled over the previous year, and were six times those of 1914, with the unusual result of losses exceeding even the premiums, and amounting to $1,570,033. In 1917 there was again a doubling up when the premiums amounted to over $3,035,895, but in this case the losses were less even than those of 1916, leaving at $1,390,269 a margin of a little over $1,600,000. There was a drop in 1918, as will be seen, but an increase again in 1919 to $2,700,000 for premiums, and again heavy losses of $1,798,000.

For some time between 1910 and 1912, sickness insurance showed a fair growth, premiums amounting in the latter case to over $1,000,000, but since that time there has been comparatively little increase in this, the total premiums of 1919 being only $1,311,890 with losses of $785,656. The small growth has been due to a great extent to a good many life policies linking their premiums with those of sickness.

Tornado Insurance

One of the most interesting of the records is that of tornado insurance. The 1900 report has no record of this, and by 1910 the premiums amounted to the record small figure for the whole list of $588. In the years 1910 and 1911 there was no loss to the companies and very little up to 1916, when the total was $24,023 out of $48,564 premiums. In 1917 losses were $93,438 with $35,137 premiums; in 1918, $98,692 with premium income of $50,906; while in 1919 the losses were $245,241, with income of only $75,646. Thus in the three years losses amounted to $437,371 with income of only $161,689, or barely 35 per cent., an unenviable record and one that cannot be duplicated in any other class of insurance reported.

REDUCTIONS IN COSTS OF PLATE GLASS INSURANCE

For Ontario, Quebec, and Certain Cities of The West

A DIFFICULT YEAR

The cost of plate glass insurance has been reduced by 25 per cent. for the Province of Ontario, dating from April 1 last, and by 15 per cent. for the cities of Winnipeg, Vancouver, Victoria, and New Westminster. A reduction of 25 per cent. for the Province of Quebec was introduced during the month of February. For the balance of Canada the rates remain unchanged.

During the past year the losses have been particularly heavy in the West, and this fact has restrained the insurance companies from taking any action in reducing the cost of insurance in that section of the country at the present time. Companies which issue insurance on plate glass, instead of indemnifying the insured for loss by a cash payment, follow the practice of replacing the glass broken. The unusual scarcity of glass which prevailed last year resulted in a considerable enhancement of the price and in the costs of replacement by the insurance companies. The situation was particularly aggravated in the West, where the supply of glass was wholly inadequate to meet the demand. There were not the usual supplies of glass in the larger centres, and the insurance companies found it necessary to order through dealers in Winnipeg. In fact so acute was the scarcity that on many occasions they found it necessary to forward a single pane in one shipment from Winnipeg to Calgary, Edmonton, or other cities of the West. This entailed unusual costs, not only for the glass itself, but in shipping charges, and consequently the rates remain high.

In Ontario the shortage was not so acute, and with the slowing down of building in the later months of the past year and the early months of the present stocks of glass have accumulated. The price has declined in consequence, and the insurance companies are looking for a more favorable year in so far as costs are concerned.

On the whole, however, these companies have not profited to any extent in the past few years, due largely to the fact that rates have not kept pace with the steadily mounting costs of glass. That such companies have been able to introduce a reduction in rates is a favorable indication of the price trend of glass, but whether similar reductions can be made in other parts of Canada, or whether those already effected can be maintained is a matter of uncertainty at the present time.

A good deal will depend upon the development in building operations. A larger volume of business is written when building is active. At the present time, however, there is depression in the building trades, and consequently the demand is of very moderate proportions. There is therefore no incentive to boost the price of glass, and for this reason it has been possible to effect reductions.

The abstract figures of plate glass insurance show a large increase in the premiums for the year which stand at $690,079, compared with $375,152 for the previous year. At the same time there is a correspondingly large increase in losses from $234,210 for 1919 to $411,813 for the past year, while claims paid have advanced from $226,132 to $411,813. The increase in the amount of insurance written is attributable in large part to the increased volume of building for the past year as compared with the previous years.

SASKATCHEWAN FIRE LOSS

From Our Own Correspondent.

REGINA.—The total fire loss in Saskatchewan during 1920 was $2,800,000. This is an increase over 1919 of about $400,000. Of the 1920 loss, $1,200,000 was on buildings and $1,600,000 on the contents of buildings. In addition to the property loss, 44 persons were burned to death. The careless handling of coal oil caused 15 deaths, 3 by the careless use of gasoline, 4 by children playing with matches and 22 from other causes. Lightning caused 128 blazes and cigarettes and matches 75 fires.

Abstract of Plate Glass Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Alliance Assurance	$ 7,605	$ 4,103	$ 3,295
Canada Accident	29,183	16,242	15,552
Canadian Surety	9,576	8,300	8,390
Casualty Co. of Canada	27,786	13,020	13,084
Dominion Gresham	10,223	3,614	3,364
Dom. of Canada Guarantee and Accident	40,392	28,739	29,787
Fidelity and Casualty	19,133	14,704	15,570
General Animals	23,879	8,789	9,024
Guardian Insurance Co. of Canada	19,883	14,404	13,760
Imperial Guarantee and Accident	9,028	7,362	7,022
Law, Union and Rock	10,504	6,485	5,881
Lloyds Plate Glass	80,262	52,978	53,489
London & Lanc. Guarantee and Accident	32,813	20,751	19,348
Maryland Casualty	13,459	9,793	9,431
Merchants' and Employers'	27,620	21,327	21,145
Mount Royal	28,710	13,019	12,779
National Prov. Plate Glass	17,891	17,642	19,549
New York Plate Glass	32,913	18,249	19,219
North American Accident	36,136	19,243	20,189
Northern Assurance	12,186	2,975	2,795
Norwich Union Fire	33,515	13,108	13,337
Ocean Accident and Guarantee	84,907	50,107	50,447
Railway Passengers	43,129	24,732	22,134
Travelers Indemnity	9,442	3,723	3,663
United States Fidelity and Guaranty	15,217	10,322	10,067
Yorkshire	14,687	8,082	7,072
	$ 690,079	$ 411,813	$ 409,393

Growth of Various Forms of Insurance in Canada

	1900	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919
Accident—											
a. Premiums	$702,327	$	$1,850,868	$2,022,608	$2,199,885	$1,881,455	$1,684,010	$1,535,428	$1,644,664	$1,792,738	$2,044,083
b. Losses	411,419	......	668,933	999,193	880,521	877,991	867,277	652,253	703,701	662,640	779,972
Acc. & Sick (comb.)—											
a. Premiums	no record	no record	no record	no record	no record	321,487	402,753	585,775	859,955	915,662	950,071
b. Losses	no record	no record	no record	no record	no record	172,888	206,054	309,905	414,696	609,845	350,712
Automobile, incl. fire—											
a. Premiums	no record	$ 80,446	$ 253,550	$ 464,580	$ 563,204	573,604	312,427	341,944	593,008	902,864	1,524,279
b Losses	no record	33,569	184,218	176,895	228,433	297,499	158,650	141,438	265,957	390,757	852,781
Automobile, excl. fire—											
a. Premiums	no record	inc. above	inc. above	inc. above	inc. above	inc. above	323,658	567,559	831,827	1,250,150	1,901,704
b. Losses	no record	inc. above	inc. above	inc. above	inc. above	inc. above	131,336	174,675	305,443	578,805	954,136
Burglary—											
a. Premiums	$ 18,456	$ 55,934	$ 60,669	$ 66,042	$ 75,580	85,473	91,885	118,673	159,858	179,995	321,862
b. Losses	3,960	16,302	14,389	15,740	25,320	35,982	24,007	22,107	51,225	70,763	116,841
Employers' Liability—											
a. Premiums	no record	no record	2,099,639	2,817,286	5,516,758	3,433,179	1,952,250	1,980,198	2,437,392	2,882,829	2,540,148
b. Losses	no record	no record	1,047,530	1,472,921	1,973,319	1,507,051	1,014,485	1,144,937	1,571,397	1,697,576	1,469,649
Guarantee—											
a. Premiums	$103,254	$298,940	444,628	564,096	645,624	742,510	730,138	790,010	824,638	947,821	1,138,882
b. Losses	39,622	71,925	152,190	130,686	189,030	341,314	172,221	319,983	205,503	202,054	268,840
Hail—											
a. Preiums	no record	226,881	200,240	249,261	336,572	242,258	744,332	1,430,866	3,035,895	2,251,188	2,712,776
b. Losses	no record	73,549	92,000	117,449	206,916	96,254	402,216	1,570,033	1,390,269	696,956	1,798,926
Sickness—											
a. Premiums	$162,828	608,274	880,780	1,027,374	1,135,430	1,133,413	1,084,798	1,109,801	1,374,351	1,567,255	1,311,890
b. Losses	157,748	542,800	638,651	713,729	722,540	690,449	680,358	719,195	878,401	1,416,578	785,656
Tornado—											
a. Premiums	no record	588	768	22,007	29,667	13,282	267,750	48,564	35,137	50,906	75,646
b. Losses	no record	none	none	810	5,673	2,002	3,623	24,023	93,438	98,692	245,241

Life Insurance

Life insurance is the only "get-rich-quick" scheme that we know of. You can add $50,000.00 to your Estate in a single day, and you are positively assured beyond the shadow of a doubt, that this amount, or any other amount which you desire, will be paid to your designated beneficiary or to your Estate in case of your untimely death.

The National Life is a Company whose outstanding policy, since its inception nearly twenty-two years ago, has been Security to Policyholders. This policy has been strictly adhered to, with the result that The National Life takes its place in the very front rank of Canadian life insurance companies.

Business in force	$30,806,390.00
Assets	5,179,182.99
Total Income	1,280,558.69
Reserves for Protection of Policyholders	4,298,456.00
Surplus	466,080.92

(Including Paid-up Capital $250,000.00)

THE NATIONAL LIFE
Assurance Company of Canada
Head Office: NATIONAL LIFE CHAMBERS, TORONTO

"Permanent as the Pyramids"

THE NORTH EMPIRE FIRE INSURANCE COMPANY

Head Office - Paris Bldg., Winnipeg
Toronto Office - 218 Confederation Life Bldg.

President: J. A. THOMPSON, Winnipeg
Vice-Presidents: F. W. DREWRY, Winnipeg. GEORGE WEIR, Toronto.
Secretary—H. B. THOMPSON, Winnipeg.

Fess & Smith, Ltd., Western General Agents, Winnipeg
Thompson, Dale & Power, Ltd., Toronto City Representatives
W. Mayne McCombe, General Agent, Montreal
T. B. & H. B. Robinson, General Agents, St. John, N.B.
Grant Oxley & Co., Ltd., General Agents, Halifax, N. S.

J. E. HOUNSOM, Manager

(Policies guaranteed by the London Guarantee & Accident Co. Limited of London, Eng.)

DOMINE DIRIGE NOS
ESTABLISHED 1869.

LONDON GUARANTEE AND ACCIDENT COMPANY, Limited

Insurance Specialists

GUARANTEE BONDS — FIRE
AUTOMOBILE — ACCIDENT
PUBLIC LIABILITY and HEALTH
EMPLOYER'S LIABILITY — AVIATION

For Particulars of Agency Write Agency Department

HEAD OFFICE FOR CANADA - TORONTO

Canadian Appraisal Co., Limited

Property Values Definitely Established to Meet All Insurance and Accounting Requirements

TORONTO ROYAL BANK BLDG. — 304 UNIVERSITY STREET MONTREAL — NEW YORK EQUITABLE BLDG.

T. EATON LIFE ASSURANCE CO.

The T. Eaton Life Assurance Company, which was granted a Dominion charter last fall to transact in Canada the business of life insurance, had a large volume of business on its books at the end of the year, according to the abstract figures issued by the Department of Insurance at Ottawa. The company, which assumed the group life insurance which had been in force on the lives of the employees of the T. Eaton Co. since the beginning of 1920, has now group insurance in force to the amount of $17,944,500, while new insurance issued during the year amounted to $20,098,500. Premium income amounted to $38,004, while death claims reached the total of $11,000. Under the charter obtained facilities were also provided for the issuance of regular life insurance policies to employees who so desired, on standard plans. At the end of the year the insurance in force in this department totalled $19,500, while the premium income amounted to $476. There were no death claims.

AGENCIES OPEN
FIRE INSURANCE
in all parts of Canada.
Communicate with
ESSEX & SUFFOLK
Equitable Insurance Society
LIMITED
260 St. James St. MONTREAL
Paris Bldg. WINNIPEG
119 Years Old and Backed by Great Resources.

Assessment System

Canadian Order of Chosen Friends

This purely Canadian Order is one that commends itself to the insuring public. The Order has just completed its Thirty-fourth year and the following statistics show quite comprehensively what a splendid success has attended its efforts:

Statement at [illegible] December 31st, 1920

Life Insurance Department

Receipts

Life Insurance Fund Received to date		$7,939,111.36
Interest added by Bank, etc.		736,829.13
Transferred from General Fund		27,685.84
Total Receipts		$8,703,626.33

Payments

Death Claims	$7,008,097.42	
Disab. Claims	624,267.45	
Investigation Fund, etc.	46,113.84	
Total Payments		7,678,478.71
Balance in Life Insurance Fund		$1,025,147.62

NOTE—The above mentioned balance is made up as follows:—

Bank of Hamilton, re Province of Quebec	$ 5,000.00
Special Deposit in Royal Bank	6,358.52
Municipal Debentures and War Loans	996,199.70
Balance in Bank of Hamilton	17,589.40
Total	$1,025,147.62

Sick Benefit Department

Receipts

S. B. Fund received to date		$ 890,562.78
Interest added by Bank, etc.		69,664.70
Total Receipts		$ 960,227.48

Payments

Paid 36,785 S. B. Claims	$ 672,451.20	
Paid 1,173 F. B. Claims	58,650.00	
Rebate (overpaid)	211.84	
Passing, Clms., etc.	16,367.62	
Transferred to Gen. Fund	66,785.26	
Total Payment		814,465.92
Balance on hand		$ 145,761.56

NOTE—The above mentioned balance is made up as follows:—

Municipal Debentures	$ 136,388.24
Bal. in Bank of Hamilton	9,873.32
Total	$ 145,761.56

There is a grand Juvenile Department attached to the Order. A post card of enquiry to W. F. Campbell, Grand Organizer, Hamilton, Ontario, will be promptly acknowledged and full information sent to any enquirer.

JOHN L. DAVIDSON, Grand Councillor, 540 Euclid Ave., Toronto, Ont.

DR. J. H. BELL, Grand Medical Examiner, 156 James St. S., Hamilton, Ont.

WM. F. MONTAGUE, Grand Recorder and Acting Grand Treasurer, Hamilton, Ont.

W. F. CAMPBELL, Grand Organizer, Hamilton, Ont.

STANDARD POLICY FOR SICKNESS AND ACCIDENT TAKING FORM

All But Four Canadian Companies Came to Use a "Standard Coverage" During 1920—Margin of Profits Reduced

Accident and sickness insurance are in their infancy. They have years of hopeful growth before them. The problems that have heretofore constituted the chief hazard from the standpoint of the insurance company are being ironed out. The "Standard Policy" is taking form in a slow but normal growth from year to year and the progress gained is based on the sure foundation of experience.

Experience has been, however, a hard instructress. Losses were greatest with companies which for competition or other reasons issued policies with special features or wider coverages. The year 1920 was notable in that all but four of the Canadian companies came to use a "Standard Coverage" even though their rates or other conditions varied. It might well be hoped that for the benefit of all concerned more progress in this uniformity had been made, the totals as indicated below for the several companies showing the better results of caution, and on the other hand the narrow profit margins caused by accepting too many or too wide hazards.

Comparing the totals with the previous year, we find that whereas the percentage ratio of claims paid to premiums received was 66.36 per cent. in 1919 it grew to 68 per cent. in the period under review. The claims carried over from 1918 for settlement in 1919 were approximately $90,000, while in 1920 the carry over totalled but $24,000.

The increases of 1920 over 1919 were as follows: Premiums for the year, $164,821 or 20 per cent.; losses incurred, $268,107 or 34.23 per cent.; claims paid, $201,210 or 23.05 per cent.

It cannot be claimed that these figures indicate sound, progressive conditions. Sickness insurance is a form of protection that appeals very strongly to some people. It should be placed on a firm, conservative basis. It should be safeguarded with uniform conditions and rates and should be sold at prices that will permit the principle of insurance, that is, the loss of the few shared by the many, to operate to the profit of the companies and the satisfaction of the insured. This can be done better by co-operation than competition.

The abstract given below states the business done in 1920. Unfortunately, like most other classes of casualty insurance, the margin of gross profits has been reduced over 1919 figures.

The following increases over 1919 are interesting:

Premiums paid	$296,542	14.48%
Losses incurred	240,099	31.38%
Claims paid	204,114	27.77%

Here again the accuracy and stability of the basis of figuring premium charges is put to the test. The percentage ratio of claims paid to premiums earned in 1919 was 36%, whereas for 1920 it was 40.7%. A plan of maximum benefits was prepared in 1920, and approximately half the companies are now issuing on this basis. If more uniformity could be obtained, and at the same time issue broad enough coverings to apply to all the conditions demanding protection, it is felt that the increase of losses incurred may be reduced, and would thus preclude the necessity of increasing rates.

The combined abstract of accident and sickness indicates that handling two forms of protection together is not only advantageous to the assured, but is profitable to the company.

A higher ratio of claims is usually expected on the industrial portion of these policies, but the ratio of losses to premiums fell from 56% in 1919 to 50.7% in 1920.

Abstract of Sickness Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Alliance Assurance	$ 55,555	$ 48,733	$ 45,894
Canada Acicdent	36,228	[illegible]	27,106
Car and General	3,971	817	147
Continental Casualty	51,767	16,097	15,251
Dominion Gresham	42,546	27,638	25,735
Dom. of Canada Guarantee and Accident	155,922	103,216	104,500
Employers' Liability	109,396	75,276	75,276
Fidelity & Casualty	99,887	70,757	81,387
General Accident of Canada	36,044	25,074	25,856
Globe Indemnity	130,506	75,170	79,209
Guardian Insurance of Canada	42,887	39,355	44,124
Imperial Guarantee and Accident	129,739	64,869	67,280
Law, Union & Rock	8,688	15,534	16,090
London and Lancashire Guar'tee & Acc't.	95,592	79,672	80,096
London Guarantee and Accident	43, 304	24,856	20,726
Maryland Assurance	14,961	34,760	47,308
Maryland Casualty	46,222	11,886	6,081
Merchants & Employers	3,291	2,452	2,473
National Benefit	2,683	10	10
North American Accident	31,781	22,247	22,671
Northern Assurance	12,570	3,999	3,109
Norwich Union Fire	73,328	57,293	54,610
Ocean Accident and Guarantee	95,895	47,142	51,942
Preferred Accident	6,371	5,740	6,239
Railway Passengers	31,505	21,891	20,736
Royal Exchange	7,573	3,855	4,900
Royal Indemnity	1,533	418	313
Scottish Metropolitan	20,812	10,134	10,526
Travelers' Indemnity	133,787	83,193	80,696
United States Fidelity & Guaranty	28,384	24,933	23,563
Yorkshire	23,589	29,168	29,538
	$1,576,317	$1,051,506	$1,073,991

ABSTRACT OF COMBINED ACCIDENT AND SICKNESS INSURANCE IN CANADA FOR THE YEAR 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
General Accident of Canada	$ 88,184	$ 42,186	$ 44,177
Loyal Protective	180,645	111,713	107,207
Merchants Casualty	471,785	203,150	203,438
Merchants' and Employers'	40,126	17,792	18,689
Protective Association	224,504	132,140	132,038
Ridgely Protective	67,914	38,759	37,809
Totals	$1,073,158	$ 545,740	$ 543,358

Abstract of Accident Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Alliance Assurance	$ 52,772	$ 10,469	$ 11,074
Canada Accident	53,977	15,431	32,122
Car and General	3,287	1,085	993
Continental Casualty	55,391	20,891	21,179
Dominion Gresham	41,912	14,502	21,657
Dominion of Canada Guar'tee and Acc't.	322,162	116,375	110,547
Employers' Liability	153,702	67,434	67,386
Fidelity and Casualty	82,344	43,323	62,404
General Accident of Canada	51,975	15,669	14,323
Globe Indemnity	187,977	78,462	74,112
Guardian Insurance Co. of Canada	33,772	13,100	11,979
Imperial Guarantee and Accident	174,560	70,072	81,372
Law, Union and Rock	26,602	17,772	21,408
London Guarantee and Accident	115,868	55,965	58,878
London and Lancashire Guar'tee & Acc't.	116,729	48,125	48,090
Maryland Assurance	13,268	5,616	15,228
Maryland Casualty	40,986	20,728	17,469
Merchants and Employers	3,250	785	785
National Benefit	2,200	......	......
North American Accident	42,778	24,529	22,545
Northern Assurance	10,195	2,609	1,949
Norwich Union Fire	77,661	32,958	30,734
Ocean Accident and Guarantee	183,536	68,247	64,233
Preferred Accident	9,469	2,201	1,889
Railway Passengers	54,212	13,378	15,023
Royal Exchange	12,743	6,137	6,588
Royal Indemnity	2,525	850	456
Scottish Metropolitan	17,764	5,790	3,128
Travelers' Indemnity	43,337	27,461	14,950
Travelers Insurance	242,752	57,955	[illegible]
United Commercial Travelers	28,427	6,567	6,228
United States Fidelity and Guaranty	32,933	7,996	4,866
Western Casualty	29,037	10,177	9,084
Yorkshire	20,629	22,374	22,048
Totals	$2,340,732	$ 905,033	$ 949,711

Abstract of Liability Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Alliance Insurance	$ 33,110	$ 29,489	$ 22,222
Canada Accident	134,138	66,764	72,906
Car and General	1,522	25	86
Continental Casualty	1,532	3,511	175
Dominion Gresham	36,714	22,080	17,690
Employers' Liability	684,184	363,613	373,612
Fidelity and Casualty	7,730	651	120
General Accident of Canada	97,470	25,675	35,795
Globe Indemnity	188,881	109,729	92,670
Guardian Ins. Co. of Canada	55,787	28,887	30,743
Imperial Guarantee and Accident Co.	2,280	637	702
Law, Union and Rock	44,687	5,561	12,666
London Guarantee and Accident	173,582	79,142	84,275
London & Lancashire Guar'tee & Acc't.	23,342	22,271	16,219
Maryland Casualty	94,810	57,762	46,084
Merchants' and Employers'	130,809	75,045	76,547
North American Accident	329,143	230,747	207,867
Northern Assurance	7,719	5,957	3,477
Norwich Union Fire	30,229	10,954	15,403
Ocean Accident & Guarantee	216,564	111,242	75,273
Railway Passengers	199,189	46,852	38,012
Royal Exchange	35,588	17,656	18,170
Royal Indemnity	1,696	980	365
Scottish Metropolitan	170,634	108,040	88,270
Security Mutual Casualty	11,086	4,992	4,829
Travelers Insurance	353,343	115,010	127,790
United States Fidelity & Guaranty	70,221	41,373	45,403
Yorkshire	105,387	44,870	27,985
	$3,161,377	$1,628,213	$1.585,311

LICENSING INSURANCE AGENTS

Saskatchewan Life Underwriters Discuss the Matter

A. E. Fisher, superintendent of insurance for Saskatchewan, in speaking at the first annual convention of the Saskatchewan Life Underwriters' Association on the subject of the licensing of life insurance agents, submitted four questions to the delegates in order to receive from them some idea of their desires for insurance legislation at the next sitting of the Saskatchewan legislature. The questions asked and the answers given by the convention were as follows:

Question: Provided there is a change in the system of licensing of agents shall there be prescribed certain qualifications of agents especially as regards time to be devoted to business, amount of insurance written and general knowledge of insurance business?

Answer: Questions of qualifications should be left in the hands of the companies.

Question: Shall the certificate of authority cover life insurance only with a revised grouping of other classes of insurance?

Answer: Yes; a separate certificate for life insurance.

Question: Is it advisable to leave many of the life insurance difficulties to the companies themselves and the Life Underwriters' Association?

Answer: Yes.

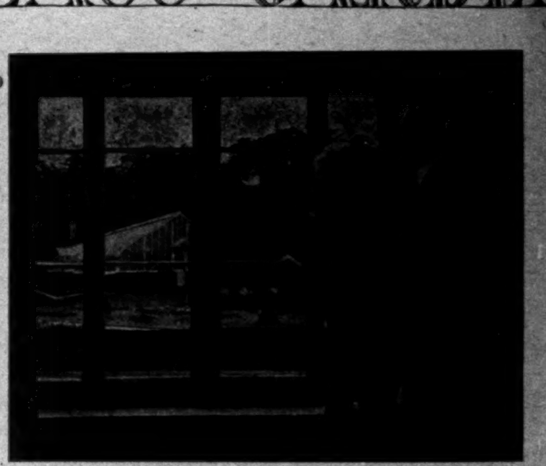
Question: Are those agents who underwrite life insurance willing to pay an increased fee necessary in the changing of the system?

Answer: Yes, if such fee is moderate.

SIREN BURGLAR ALARM

A new alarm siren whose blasts may be heard two miles has been installed on the Staten Island Savings Bank, Stapleton, New York. It is controlled by electric buttons on the desks of all officials.

GLASS GARDENS



She Has Always Wanted One
Make Her Happy Now

It isn't as if you couldn't afford one.

It's just that you have put off doing anything about it.

Put it off because you have dreaded the botherments these days incidental to building anything.

In which you are right in one way, and decidedly wrong in another.

Greenhouse building, it happens, is one of the things that can happen without those botherments.

It's like this: all our materials are cut, fitted and even given two coats of paint at our factory.

When the materials reach your grounds, it's mainly a matter of assembling them.

Constructing our houses as we do in sections, their erection is greatly simplified.

Our regular standard houses are sectional built, even to the work room.

These standardized houses being the best value for the money, and ones that we can deliver and erect quickest, we just naturally suggest your giving them first consideration.

If, however, you want some special design, perhaps connected to your residence and heated by the existing boiler, we will gladly make it for you.

Logically, it will, however, cost more and take longer to prepare the materials and erect. You are welcome to our printed matter. Or at your suggestion, one of us will gladly call and talk things over with you.

Lord & Burnham Co. Limited of Canada
Builders of Greenhouses and Conservatories
HEAD SALES OFFICE:
TORONTO: Royal Bank Bldg.
FACTORY: St. Catharines, Ontario
SEND FOR OUR CATALOGUE NO. 800

Automobile Insurance Non-Tariff Rates

Merchants Casualty Co.

Head Office: Winnipeg, Manitoba

Health and Accident Insurance Full Coverage Policies

Financial Statement, December 31, 1920

ASSETS

Dominion, Provincial and Municipal Bonds	$261,622.16
First Mortgages on Real Estate	28,380.00
Accrued Interest on Bonds and Mortgages	6,678.39
Market Value of Bonds over Book Value	410.09
Cash in Banks and Offices	38,112.09
Accounts Receivable	7,733.17
Furniture, Fixtures and Supplies	27,403.95
Premiums in course of collection	35,000.00
Total Assets	$405,339.85

LIABILITIES

Rents, Salaries, etc., due and accrued	$ 2,296.04	
Taxes due and accrued	23,271.30	
Claims adjusted and unpaid	11,344.23	
Claims in process of adjustment	23,655.77	
Premium Reserve carried out at 80%	80,628.07	
		$141,195.41
Paid-up Capital	$101,576.97	
Surplus	162,567.47	
Paid-up Capital and Surplus		264,144.44
		$405,339.85

Agency Representation Wanted Throughout Canada

Main Offices: Winnipeg, Toronto, Montreal, Vancouver, Moncton

The Largest Company of its Age and Kind in Canada

ABSTRACT OF FIRE INSURANCE IN CANADA DURING YEAR 1920

Canadian Companies

COMPANIES—	Net Cash rece'd for Premiums	Gross cash rece'd for Premiums	Net amt. at risk at date	Net amt. of losses incurred during Yr.	Net amt. paid for losses
Acadia Fire	$ 230,141	$ 503,217	$ 27,818,608	$ 101,816	$ 99,672
Antigonish Farmers'	3,326	3,326	741,148	1,000	1,170
Beaver Fire	34,760	113,891	5,043,334	7,950	7,153
British America	902,603	1,512,032	120,454,101	331,444	383,299
British Colonial	222,950	504,356	27,770,907	118,831	119,324
British Northwestern	158,030	246,350	21,756,531	61,753	52,726
Can. Acct. and Fire	120,515	337,279	13,774,717	55,618	51,098
Canada National	204,988	392,229	26,266,747	66,555	61,282
Canada Security	68,354	209,747	7,930,262	38,291	28,404
Canadian Fire	368,484	747,461	45,680,829	121,107	117,476
Canadian Indemnity	116,107	157,736	10,904,398	38,878	28,431
Canadian Lumbermen's	2,503	44,772	......	......	......
*Canadian Surety	......	......	......	......	......
Cumberland Farmers	1,906	1,949	527,425	1,238	1,238
Dominion Fire	436,154	801,767	61,399,436	193,225	182,430
Dom. of Can. Gtee. & Ac.	78,343	118,100	15,752,945	23,733	23,627
Fire Ins. Co. of Can.	184,637	465,791	22,010,633	81,469	83,240
Gen. Accident of Can.	48,036	102,776	16,682,000	17,207	16,960
Globe Indemnity	193,181	458,414	27,227,633	67,643	63,994
Grain Insurance	201,490	201,490	16,658,227	53,702	29,002
Guard. Ins. Co. of Can.	62,729	231,184	3,800,185	30,452	24,480
Halifax Fire	30,760	47,755	3,268,859	17,450	13,201
Hudson Bay	228,808	425,174	23,528,258	94,264	89,434
*Imp. Guar. & Accident	......	......	......	......	......
Imperial Underwriters	150,047	344,652	19,938,990	72,503	67,554
Kings Mutual	20,308	21,086	4,778,200	4,232	4,232
Liverpool Manitoba	313,849	571,830	37,803,244	98,656	96,659
*Lon. & Lanc. G. & A.	......	......	......	......	......
London Mutual	568,873	1,015,300	93,724,772	247,512	255,096
Mercantile	360,788	420,404	40,988,113	133,943	154,031
Mount Royal	629,200	1,241,028	85,232,833	292,222	277,151
Mutual Fire	20,253	21,547	1,173,600	8,630	8,630
North. Amer. Accident	......	......	......	......	......
North Empire	157,956	435,055	14,634,722	100,849	92,124
North West	163,833	289,343	20,214,251	66,177	63,167
Ocidental	247,729	523,499	23,976,638	103,387	92,207
Pacific Coast	152,675	316 333	18,658,720	60,948	54,276
Pacific Marine	9,018	14,049	903,339	1,107	1,106
Pictou Co. Farmers'	4,365	4 365	1,470,900	2,761	2,761
Quebec	376,749	440 996	113,865,634	178,604	178,862
Reliance	487	487	165,606	......	......
*Scottish Canadian	......	......	......	......	......
Western	917,483	2,489,020	136,217,666	392,013	380,942
Totals for 1920	$7,992,418	$15,775,780	$1,112,748,411	$3,287,170	$3,206,439
Total for 1919	$6,415,838	$12,088,690	863,798,586	2,673,691	2,736,223

British Companies, Canadian Business Only

COMPANIES—	Net Cash rece'd for Premiums	Gross cash rece'd for Premiums	Net amt. at risk at date	Net amt. of losses incurred during Yr.	Net amt. paid for losses
Alliance	$ 428,771	$ 486,389	$ 56,608,384	$ 207,819	$ 190,882
Atlas	751,263	907,228	88,413,813	273,737	264,202
British Crown	525,289	771,186	54,502,958	335,749	275,317
British General	107,560	166,408	10,540,402	33,795	29,152
British Traders	270,720	336,447	24,882,797	121,630	123,954
Caledonian	523,646	719,976	74,192,274	207,469	213,115
Car and General	139,339	234,183	12,558,402	46,992	45,411
Century	291,022	401,018	23,658,729	140,329	118,632
China	9,936	19,777	643,122	2,054	554
Commercial Union	1,183,676	1,514,034	151,577,490	580,044	582,640
Eagle, Star and Br. D.	449,392	646,853	51,991,753	180,378	161,873
Employers' Liability	832,258	1,030,646	101,004,264	415,143	401,723
Essex and Suffolk	49,393	102,382	5,078,174	7,305	4,377
General Accident Fire	581,523	704,625	61,512,085	286,623	273,128
Guardian Assurance	1,753,854	2,081 985	188,240,520	705,351	740,270
Law, Union & Rock	339,603	417 256	46,229,564	134,310	117,766
Liverp'l & Lon. & Globe	1,658,181	2,016,529	213,404,196	739,516	735,606
London Guarantee	859,995	1,053 274	76,266,092	513,469	531,899
London and Lancashire	1,107,974	1,321,294	143,670,203	534,044	549,922
London Assurance	634,901	738 189	77,441,180	245,994	220,440
*Marine	......	......	......	......	......
*Merchants Marine	......	......	......	......	......
*Motor Union	......	......	......	......	......
National Benefit	52,323	77,572	4,640,000	39,427	18,403
Natl. Prov. Plate Glass	17,414	27,757	2,068,220	62	62
North British and Mer.	1,252,238	1,534,516	156,387,233	575,811	636,983
Northern Assurance	1,214,346	1,415,881	137,152,917	594,964	577,075
Norwich Union Fire	1,179,151	1,383,065	132,765,977	455,396	485,157
Ocean, Accid. & Guar.	367,199	390,702	43,052,545	165,508	171,549
Palatine	487,715	610,368	53,905,808	249,920	246,558
Phoenix of London	1,297,218	1,733,715	169,155,517	402,096	363,527
Provincial	153,053	174 335	17,949,659	64,452	54,635
Queensland	280,674	342,228	24,842,380	121,608	106,359
*Railway Passengers	......	......	......	......	......
Royal Exchange	800,730	964,281	98,698,092	350,864	351,553
Royal Insurance	2,178,382	2,654 639	284,026,246	897,251	856,799
Royal Scottish	173,358	201,574	16,193,058	80,467	58,486
Scottish Metropolitan	119,654	144,775	10,903,294	34,243	24,366
Scottish Union	464,627	563,315	66,541,218	195,186	175,581
Sun Insurance	842,504	1,046,277	99,088(673	352,118	363,052
Traders and General	47,903	57,875	5,595,961	7,789	4,656
Union Assur. Society	778,316	1,023,876	90,207,836	320,589	305,609
Union of Canton	547,274	684,837	57,770,634	277,272	255,081
*Union Marine	......	......	......	......	......
Yangtsze	15,067	22,227	920,502	444	444
Yorkshire	558,235	658,817	68,473,310	364,061	318,642
Totals for 1920	$25,325,678	$31,382,311	$3,002,755,982	$11,261,279	$10,954,885
Totals for 1919	$20,377,871	$25,197,411	2,570,277,383	8,629,793	8,387,864

Foreign Companies, Canadian Business Only

COMPANIES—	Net Cash rece'd for Premiums	Gross cash rece'd for Premiums	Net amt. at risk at date	Net amt. of losses incurred during Yr.	Net amt. paid for losses
Ætna	$ 569,475	$ 733,985	$ 68,801,682	$ 255,159	$ 224,576
Agricultural	31,558	49,316	2,159,999	4,581	3,568
Alliance Insurance	204,367	298,105	25,608,167	109,103	106,055
American Alliance	6,389	31,030	440,754	1,873	952
American Central	256,985	314,406	23,986,722	114,345	98,253
American Equitable	78,596	97,001	7,716,037	40,789	35,510
American Insurance	63,489	95 179	6,145,296	22,880	22,871
American Lloyd's	17,534	20,007	4,335,718	6,595	6,652
Boston	122,265	204,105	9,077,182	79,680	68,795
Caledonian-American	18,047	55,477	2,553,656	996	244
California	107,106	146,780	9,772,864	18,952	21,359
Citizens of Missouri	41,005	52,485	3,313,180	9,581	9,581
Columbia	43,095	72,218	7,973,993	8,719	4,104
Com. Union of N.Y.	7,801	16,845	933,044	1,761	1,711
Connecticut	201,204	328,865	26,038,209	80,105	75,579
Continental	557,939	855,225	62,022,436	281,352	282,607
Equit. Fire & Marine	62,636	269,937	7,104,357	22,091	19,873
Fidelity-Phenix	524,320	765,831	56,415,822	302,807	284,529
Fire Assocn. of Phila.	77,237	104,775	6,955,286	30,377	29,074
Fireman's Fund	251,654	311,495	29,283,275	188,120	232,113
Firemen's Insurance	144,731	168,880	16,669,354	88,917	63,712
General of Paris	171,370	264,249	18,164,057	78,706	70,446
Girard	36,528	47 373	3,593,430	22,492	17,844
Glens Falls	237,816	362,712	25,366,595	99,635	109,917
Globe & Rutgers	1,077,859	1,404,727	114,277,035	497,082	429,860
Great American	611,855	842,533	70,090,293	412,773	369,239
Hardware Dealers	1,168	1,427	85,401	93	93
Hartford Fire	1,391,845	1,762,716	171,879,717	693,695	642.533
Home Insurance	1,831,667	2,298,738	175,984,556	1,021,019	947,549
Ins. Co. of N.A.	978,757	1,389,507	132,597,900	468,907	468,911
Ins. Co. of State of Pa.	202,374	251,071	20,775,227	92,176	75,416
Lumbermen's Und. All.	240,630	316 262	12,461,588	187,507	187,507
Manufac. Lumbermen's	193,695	270.265	10,076,746	58,675	63,675
Manufac. Woodworkers	74,156	78 820	4,854,900	46,585	46,456
Mechanics and Traders	36,611	62,375	1,261,498	6,032	3,576
Merchants Fire	107,966	128,744	12,442,383	58,651	46,416
Millers National	40,037	52,501	3,379,672	28,284	45,851
Minnesota Implement	1,168	1,427	85,401	93	93
National-Ben Franklin.	173,030	203 342	22,024,841	57,535	56,925
Nat. Fire of Hartford	774,726	1,029,023	75,592,830	434,604	395,587
National Liberty	607	705	156,600	2,000	......
National Union	290,804	372,021	27,148,446	139,898	115,746
La Nationale	626,080	717,627	70,690,675	285,900	260,340
Newark	115,608	209.098	10,128,740	41,745	38,717
New Hampshire	90,235	145,006	7,146,529	51,693	50,764
New Jersey	84,438	110.277	1,729,990	18,864	17,262
Niagara	363,333	590 097	37,921,990	162,524	164,108
Northwestern Mutual	98,940	113.935	6,955,043	41,121	15,821
Northwestern National	312,456	353 385	37,115,794	106,488	103,624
Phenix of Paris	204,955	324,268	20,664,137	87,530	80,391
Phoenix of Hartford	468,319	819,407	59,285,489	160,545	151,423
Providence Washington	320,332	407,680	27,908,235	161,866	158,935
Queen of America	806,787	990,839	99,072,651	328,443	308,698
Retail Hardware	1,168	1,427	85,401	93	93
St. Paul Fire & Marine	429,363	618,005	49,998,567	162,899	167,945
Springfield F. & M.	451,810	721,541	56,045,221	259,642	214,029
*Sterling	......	......	376,610	......	......
Stuyvesant	111,869	147,655	10,578,784	44,173	38,423
Tokio	7,629	8,111	2,386,317	5,999	499
L'Union of Paris	332,613	397,869	25,572,660	171,901	161,734
United States Fire	173,016	214,620	19,346,358	60,956	15,359
Vulcan	97,918	136,077	7,481,856	38,592	30,217
Westchester	288,789	452,191	26,629,183	116,881	109,850
Totals for 1920	$17,247,760	$23,611,550	$1,855,826,379	$8,383,080	$7,783,790
Totals for 1919	$13,237,765	$18,157,615	$1,448,948,412	$5,474,889	$5,555,268

Recapitulation

Canadian Companies	$ 7,992,418	$15,775,780	$1,112,748,411	$ 3,287,170	$ 3,206,439
British Companies	25,325,678	31,382,311	3,002,755,482	11,260,879	10,954,885
Foreign Companies	17,247,760	23,611,550	1,855,826,379	8,383,080	7,783,790
Totals for 1920	$50,565,856	$70,769,641	$5,971,330,272	$22,931,129	$21,945,114
Totals for 1919	$40,031,474	$55,443,716	$4,923,024,381	$16,778,373	$16,679,355

*Figures not available.

FIRE COMPANIES SEEK TO AVOID OVER-INSURANCE

To Overcome Possibility of "Selling" to Fire Companies for Ins. Money

MORAL HAZARD

Large Increase in Insurance in Force at End 1920—Property Values Passed Peak—Conditions Are Altered

With an increase of approximately $1,000,000,000 of insurance in force, fire insurance companies operating in Canada have closed the best year in the history of insurance in Canada. A revival of building on a fairly broad scale, together with a steady advance in property costs, and also in the cost of construction, which brought about the necessity for higher insurance are the factors primarily responsible for the year's remarkable showing. Insurance in force at the end of 1920 amounted to $5,971,330,272, compared with $4,923,024,381 at the end of the previous year. The premium income from all companies reached a total of $50,565,856, against $40,031,474 for 1919. Fire losses for 1920 were higher, standing at $22,931,129, compared with $16,679,373.

The unfavorable turn of business has brought new problems for solution. During the years of war and the greater part of the past year companies and agents were pointing out to the assured the advisability of a proper amount of insurance being carried in view of the prevailing high values. Insurance was accordingly increased to keep pace with the ascending scale of values. Conditions are now changed. Property values have apparently passed the peak and are now moving on the downgrade. There has been an increase, too, in the "moral" hazard, and insurance companies must now take precautions against over-insurance to forestall the temptation to "sell" to fire insurance companies for the insurance money, a hazard that naturally arises at a time of falling values and financial depression. The admonitions to the public to see that they were carrying proper and adequate insurance have been discontinued, and agents have been warned against the dangers of over-insurance.

The problem of collections is also causing some concern, as with practically every line of business. In many cases the insured are displaying an inability or unwillingness to meet their obligations in full to the insurance companies. Altered conditions, therefore, render the possibility of another record year highly improbable.

Of the nearly $6,000,000,000 insurance at risk the sum of $1,112,748,411 is carried with Canadian companies. This amount represents a substantial increase and compares with $863,798,586 for the previous year. Insurance in force with British companies totals $3,002,755,982, compared with $2,570,277,383, and with foreign companies $1,855,826,379, against $1,448,948,412.

The loss ratio for the year was slightly higher at 45.3 per cent. compared with 41.7 per cent. for the previous year. Last year's record is a decided improvement, however, over former years, when the ratio averaged well over 50 per cent. The record for the past ten years is as follows:

	Premiums	Losses	
1910	$18,725,531	$10,292,393	54.96%
1911	20,575,255	10,936,948	53.16%
1912	23,194,518	12,119,581	52.25%
1913	25,745,947	14,003,759	54.39%
1914	27,499,158	15,347,284	55.81%
1915	26,474,833	14,161,949	53.49%
1916	27,783,852	15,114,063	54.40%
1917	31,246,530	16,379,102	53.42%
1918	35,733,383	19,285,715	53.97%
1919	39,914,398	16,642,172	41.7 %
1920	50,565,856	22,931,129	45.3 %

FIRE HAZARD IN HALIFAX SERIOUS

Surcharge Increase Imposed on Uninspected Mercantile Risks

The special committee composed of Canadian managers which visited Halifax, N.S., and conferred with the Nova Scotia Board of Underwriters on conditions in that city has submitted its report. The committee found that, while some of the recommendations contained in the National Board report of 1916 apparently had been carried out, there were many important improvements yet to be made and recommended that a reinspection of the city by the National Board engineers be made at once to determine the extent to which the improvements had been accomplished and what others were immediately essential.

As regards fire protection conditions in Halifax the committee found some improvement in the water supply through the extension of the metering system and an improvement through placing of the fire department on a full paid basis.

"Life Insurance is the Anchor-post of the Home"

At Age 35
Twenty Pay Life Plan

On a policy for $5,000, with Double Indemnity and Double Disability Provisions,

An Ontario Equitable Policy Guarantees

Yearly Premium, ceasing at end of 20 years .... $ 172.50
Amount payable in event of Death 5,000.00
Amount payable in event of Death by Accident 10,000.00
In event of Total Disability **No Further Premiums Will Be Required;**

And in Addition---

The Company will pay the Insured during the continuance of Disability (without reducing the face of the Policy) a Monthly income of $100.00.

The ONTARIO EQUITABLE
Life and Accident Insurance Company
WATERLOO, ONTARIO

THE DOMINION LIFE
ASSURANCE COMPANY

Established 1889—Always Successful
and
Still Going Strong

Year	Assurances Issued	Business in Force	Assets	Reserves	Income
1905	$ 1,124,565.00	$ 6,285,289.00	$ 1,070,327.17	$ 872,534.00	$ 248,917.60
1910	2,298,763.00	10,718,766.00	2,174,605.91	1,729,587.00	463,745.09
1915	3,403,404.00	17,561,706.00	3,954,632.00	2,926,211.00	739,657.14
1920	16,734,967.50	45,348,868.63	6,167,935.82	5,240,657.00	1,879,880.63

Business Doubled in Three Years

Head Office WATERLOO, ONT.

NOT A SIDE LINE ISSUE

The Bee Hail Insurance Company of Paris, France

(L'Abeille-Societe Anonyme d'Assurance contre la Grele)

Has been exclusively in the hail insurance business for 65 years.

Cash Capital - - $800,000.00
Total Assets - - 2,361,793.00

Applications for Agencies invited by

BRYDGES & WAUGH, LTD., of Winnipeg, General Agents for Manitoba
McCALLUM, HILL & CO., of Regina, General Agents for Saskatchewan
A. H. JOHNSTONE, Branch Manager for Alberta, P. Burns Building, Calgary

GUARDIAN ASSURANCE COMPANY
LIMITED
OF LONDON, ENGLAND

Capital Subscribed $10,000,000
Capital paid up 5,000,000
Total Investments exceed . . 45,000,000

Fire Insurance
at Moderate Rates

Head Office for Canada:
Guardian Building, MONTREAL
H. M. LAMBERT, - Manager
B. E. HARDS, Assistant Manager

Toronto General Agents:
Messrs. ARMSTRONG, DeWITT & CROSSIN, Limited
36 Toronto Street, Toronto

ALTERED CONDITIONS OF BUSINESS ONLY SERVE TO ACCENTUATE THE VALUE OF BUSINESS INSURANCE

Placed Upon the Essential Heads of a Firm It Forms a Convenient and Most Expedient Form of Protection

LARGE VOLUME BEING WRITTEN

An Aid in Negotiating Loans With Banks—Enables Surviving Partners to Buy Out Interests of Deceased Member of Firm—A Popular Provision for Succession Duties

Unusual business conditions have brought their train of problems for solution. The resources and the ingenuity of the heads of the average business firm have been tested to an unusual degree during the past few months in an endeavor to find some means of stemming the ebbing flow of profits. Surplus accounts, which during the period of industrial prosperity in the past two or three years have been strengthened and built up by the accumulations from the surplus earnings, have in many cases been called upon to meet charges which the current earnings were not of sufficient volume to supply. In the face of constant demands these accounts have steadily diminished and in many cases have narrowly approached the vanishing point. The problems have not as yet been solved. Business continues in a gravely depressed condition, and at the moment there is little or no indication of an immediate resumption on a large scale.

In the face of the present aggravated situation many firms, which a year ago gave no more than a passing thought to the question of business insurance are considering the matter seriously, and in many cases have invested heavily in this form of protection, with policies of varying amounts placed upon the lives of the executive officials of the company.

There is a widespread realization of the protection and stability to be derived through the knowledge that the firm is well protected against financial loss in the event of the death of a valued member. For the face of the life insurance policy paid into the firm would go far toward counteracting the loss through disorganization and interruption of operations that would necessarily follow such an eventuality.

Variety of Conditions

While this so-called business insurance has been written in this country for a number of years unusual progress was made during the past year. Through a variety of conditions, arising out of the high cost of living, the fact that business was flourishing to an unusual degree, and many new businesses were starting up, there was a general recognition of the advantages to be derived from life insurance in business and many million dollars worth of this class of insurance were written.

To-day altered and less favorable conditions prevail, but the turn in the tide of business only serves to accentuate the importance of insurance. During 1917-18-19 the average firm was much stronger financially than at the present time. As pointed out above they had built up huge surplus accounts. They were heavy purchasers of Victory Bonds and other securities as well. This surplus was in a large number of cases looked upon as ample protection in the case of business being disturbed by any unforeseen development, such as the death of a member of the firm, who was primarily responsible for the continued successful operation of the business. With profits declining and the surplus accounts being called upon to make up deficiencies the same feeling of security does not now exist. With commodity prices on the decline the necessity for the re-valuation of inventories has arisen. By these and other means the feeling of ease and comfort on the part of the management of the average firm have been dissipated. Now more than ever before the wise and judicious guidance of a skilful leader is essential in order that the institution may weather the trying period successfully.

Realizing that under the present circumstances the industry would suffer an irreparable loss in the event of the death of the guiding hand, a large number of Canadian firms are resorting to life insurance as a partial protection. It is probable that never before was there so great necessity for protection of this kind in business. The average firm is under heavy obligations to the banks and other creditors, stocks are not moving rapidly, and it is inevitable that further losses must be suffered before the period of readjustment is finally passed. It is essential too, that everything possible should be done to assure the uninterrupted operation of the business. Life insurance is freely regarded as the most convenient and expedient form of protection that is available at the present moment.

Securities at Low Levels

Banks are now exercising more than the customary vigilance in granting loans. With securities of all forms selling at low levels, and industry in a highly unsettled condition they are demanding more than the usual security, and to this end are asking if the firm seeking a loan carries any life insurance upon the active heads of the organization. Life insurance not only provides collateral, and simplifies the matter of securing a loan, but it assures the bank that in the case of the death of the assured the money coming into the firm at the critical moment will offset in a measure the adverse effect arising out of the loss of the executive member.

A manufacturers' agency in Eastern Canada which has been rapidly expanding has established branches in a number of Canadian cities. In order to protect the main office from loss in the event of the disorganization of the branch, and the loss from the business through the death of one or more of the members in control, a large policy of life insurance has been taken out on the lives of the leading two or three heads of each subsidiary. Not only does this insurance provide protection but enables the company to borrow more freely from the banks, if the necessity should arise.

A Toronto firm, comprising six partners, has taken out a large block of life insurance, which is divided pro rata among the members in proportion to the value of their respective holdings in the enterprise. In the case of death of any members money is immediately available for the purpose of paying the deceased partner's share of the business to his widow or other beneficiaries. In many cases an immediate settlement is not possible through the lack of sufficient cash. The business suffers therefore from the fact that there are associated with it interests, which are either silent but still extract their share of the profits, or which may provide an impediment in the way of offering injudicious advice, or through the exercise of their prerogative in delaying or overcoming constructive development. This difficulty can be avoided by the simple expedient of life insurance, the costs of which are of course paid out of the firm.

Life insurance companies in the past have issued a joint policy to two or three members of a firm. It has been found more satisfactory, however, to write individual policies payable to the firm. By an agreement it can be arranged that if any member withdraws from the firm the insurance carried upon his life may be made payable to his estate by the simple process of paying to the firm the accumulated amount of premiums paid.

Succession Duties

With succession duties imposing a heavy burden upon the larger estates in the various provinces of the Dominion, more and more Canadian business men are taking out life insurance in an amount sufficient to provide their beneficiaries with adequate cash to meet the state's requirements in the event of their death. It is estimated that in the province of Ontario alone more than $5,000,000 of life insurance was taken out last year for this purpose. It is common knowledge that the government's share of the estate must be paid within a few months and in cash. Often the estate does not contain sufficient liquid assets to meet the state's demands, and the beneficiaries are in that event required to make sacrifices, undergo annoyance and even suffering in order to raise the required capital. Business men, [illegible] realizing that the present is a particularly unfavorable time to realize upon negotiable assets, through the fact that the stock markets have been consistently depressed for a number of months past, and securities could therefore only be sold at a sacrifice, are taking steps to protect their interests, and to ensure the passing of their estates intact by taking out life insurance of an amount sufficient to cover succession duties.

The Life Underwriters of Canada have instituted a movement, which has for its object simplifying the process of providing for succession duties through life insurance. They advocate that each business man take out life insurance in sufficient amount to provide for the state's requirements, and make the policy payable to the provincial treasurer. Any surplus is to be paid back to the heirs. It is stipulated, however, that tis portion of the assured's estate should be freed from taxation, and to this end the underwriters' associations will take up the matter of exempting such policies from taxation with the various provincial governments. At present effort is being chiefly confined to the Ontario government, it being recognized that this government reaps the most benefit from succession duties, and the promoters of the scheme are hopeful of success. It is anticipated that if this concession is gained from the Ontario Government it will form a precedent for the other provinces to follow.

Adapted from design used by Office Specialty Manufacturing Company

The Salesman is therefore the most important factor for he influences your merchants, and through them the buying public.

The Trade Newspaper backs up your salesman and makes his work doubly efficient—for it is in your merchant's store week by week and month by month. It is a big factor in general stimulation of business.

You train your salesmen and inspire them with the ideal of your business, the quality and saleability of your product—why not train and educate your merchant as you do your selling force?

Merchants to-day are studying products and prices as never before. What an opportunity to sell them on the merits of your goods—their selling possibilities and your firm as a good business to co-operate with!

Let us tell you of many firms who have used regular announcements in trade newspapers to build confidence in the house and to enlist dealer co-operation with other forms of advertising.

It will pay you to investigate MacLean trade newspapers, which are read by merchants in all lines of business.

The MacLean Publishing Co., Ltd.

Publishers of the following Specialized Trade Newspapers:

Canadian Grocer 35th Year. — Druggists' Weekly 2nd Year. — Men's Wear Review 11th Year.
Hardware and Metal 32nd Year. — Dry Goods Review 32nd Year. — Sanitary Engineer 14th Year.
Bookseller and Stationer 37th Year.

NO LONGER SEE NEED FOR RIOT INSURANCE IN CANADA

Insurance Companies Not Required To Pay Single Claim During 1920 for Loss Incurred Through Riot or Other Forms of Disturbance

There has been a very appreciable decline in the amount of explosion insurance written in Canada during 1920, as compared with the previous year. The total premium income of all companies for the past year was $172,173 compared with $514,808, while during 1920 not a single loss was incurred under this form of policy, compared with the sum of $1,007 paid out in the previous year. It is apparent, therefore, that this form of insurance is a very profitable source of revenue for the insurance companies, but it is quite probable that the income will be still further materially reduced during the present year.

Explosion insurance provides protection, too, against loss incurred through "bombardment, invasion, insurrection, riot, civil war," and other forms of uprising. During 1919 a large percentage of explosion insurance was written as a guard against possible loss through riot. Manufacturers and large property owners, fearing the effects of the restoration of peace conditions, and the unrest in labor circles, took action to protect their properties from this possible source of danger. As the Government returns indicate, however, these fears fortunately proved unfounded, as the losses incurred by the insurance companies reached the very significant total of $1,007, during the year 1919. As insurance of this nature is taken out for one year only, there was displayed a disposition on the part of policyholders during 1920 to allow their policies to lapse in the belief that the danger was largely over. During the present year the volume of insurance for this purpose is being further reduced, as there does not any longer appear to exist a possibility of violent unrest. The fact that the companies were not required to pay a single loss during 1920 is a very favorable indication of the stability of labor in Canada.

Abstract of Explosion Insurance in Canada

	Prems. for Year.	1920 Losses Incurred.	Prems. for Year.	1919 Losses Incurred
Continental Insurance	4,021	None.	$ 8,558	None
Employers' Liability	None.	None.	450	None
Equitable Fire	401	None.	......	.....
Fidelity-Phenix	7,068	None.	8,331	None.
Glens Falls	5,379	None.	45,248	$ 689
Globe and Rutgers	77,360	None.	130,812	None.
Great American	214	None.	7,052	None.
Hartford Fire	23,930	None.	46,807	36
Home Insurance	15,962	None.	106,083	16
Insurance Co. of North America	27,610	None.	103,570	91
Liverpool-Manitoba	553	None.	......	.....
Niagara Fire	4,019	None.	21,144	175
Providence Washington	931	None.	16,177	None.
Scottish Union & National	17	None	1,483	None.
United States Fire Ins. Co.	1,879	None.	......	.....
Westchester	1,308	None.	......	.....
Western	1,949	None.	19,090	None.
	$172,173	None.	$514,808	$1,007

Abstract of Steam Boiler Insurance in Canada in 1920

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
Boiler Inspection	$ 132,922	$ 5,135	$ 5,135
Employers' Liability	900	......	......
Fidelity & Casualty	35,941	2,789	3,939
General Accident of Canada	48,105	2,525	1,745
Hartford Steam Boiler	1,300	......	......
Maryland Casualty	36,378	2,060	2,060
Royal Indemnity	12,593	......	......
Travelers Indemnity	55,346	5,015	3,251
	$ 323,485	$ 17,524	$ 16,130

Merchants Casualty Company

COMPANIES—	Premiums for year.	Losses incurred.	Claims paid.
In Canada	$ 471,785	$ 203,150	$ 203,4[illegible]
In other countries	16,333	4,878	4,[illegible]
Totals	$ 488,118	208,028	$ 208,[illegible]